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NATIONAL INSURANCE

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1911.**

WITH AN INTRODUCTION
BY
SIR JOHN SIMON, K.C.V.O., M.P.
SOLICITOR-GENERAL.

For further particulars see p. ii. of Cover.

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QUESTIONS AND ANSWERS

ON

NATIONAL INSURANCE.

A PRACTICAL AND CLEAR
HANDBOOK FOR ALL.

BY

GILBERT STONE, B.A., LL.B.

OF LINCOLN'S INN, BARRISTER-AT-LAW.

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PREFACE

THE purpose of the following book is to place before the public the provisions of the National Insurance Act in a simple manner. At the same time, an effort has been made neither to purchase simplicity with inaccuracy nor completeness with complexity. It may be that the attempt has failed. In dealing with a lengthy Act of Parliament in a manner capable of comprehension to the layman, and the busy layman, there is always the danger, on the one hand, of omitting essentials and, on the other hand, of insisting upon detail. To hold the balance nicely is a worthy thing to attempt and a sufficiently difficult one to accomplish. It is, however, generally admitted that the best way to expound is to ask concrete questions and to answer them. The result is at least to state a case which can be understood and the answer to which must instruct, to some extent—if it does not actively amuse. It should be added that these questions are entirely hypothetical, but are framed in a manner which is designed to make them of general application and use.

GILBERT STONE.

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INTRODUCTION

THE National Insurance Act, 1911, is at once one of the most complex and important Acts which have ever been placed on the Statute Book. It affects directly some 15,000,000 persons, and indirectly practically every person in the United Kingdom.

It was designed to effect two great ends:—

(1) An insurance, as far as possible, of the working population against sickness, breakdown, consumption, and unemployment.

(2) A reduction of the number of paupers, with a consequent lessening of the poor rate and the expenditure on workhouses and kindred institutions.

Although, in consequence of the employer's liability to pay certain contributions in respect of all his employees employed within the meaning of the Act, a considerable amount of fresh taxation has been placed upon his shoulders, it may be that, as time goes on, a considerable part of this burden will be removed by a reduction in the poor rate. It will doubtless be known by the reader that for the last twenty-seven years there have existed in Germany schemes of National Insurance which together are practically equivalent to the scheme created by the National Insurance Act. At the time of the introduction of the first of those schemes into Germany an outcry was raised, as it has been here, that the tax imposed upon the employer would prove too great a strain for him to bear; that a national scheme of such importance would probably overwhelm the economic conditions of the country, and that the value of money would increase in consequence of the withdrawal of so much wealth from immediate circulation. As a matter of fact,

all these fears have been falsified, and in 1910 Dr. Kaufmann was able to say—

“The course of events has justified the authors of the [Industrial Insurance] legislation. During the last two decades German national economy has experienced an almost unexampled development, and by the raising of its physical, intellectual, and material condition the working class has participated in this development. It was no accident that the period of this great expansion synchronized with a radical improvement in the condition of the workers, for the two are intimately connected. Unquestionably a contributory cause of our growing industrial pre-eminence may be seen in the successful treatment of social questions, and particularly that of industrial insurance.”

In Germany, again, it has been found that the introduction of the insurance scheme has had a most beneficial effect upon the poor law administration. Thus the late Dr. E. Muensterberg, formerly director of the Berlin Poor Law Administration, has said—

“There can be no doubt that the Insurance Legislation has raised the standard of life of the industrial population and also that of the poorer classes. The public poor funds have unquestionably been relieved by the insurance laws. Even where the expenditure on paupers shows no decrease it is acknowledged that, without this social legislation, such expenditure would have been far greater, since the major part of those insured would have needed poor relief. It cannot be denied that the General Insurance Legislation has exerted an enormous influence on the public care of the poor in every direction. In consequence of the Sickness Insurance Law in particular all industrial workpeople, and, to a large extent, the members of their families as well, have been lifted above the necessity of seeking poor relief in time of sickness. To this extent the relief afforded to the poor funds has been absolute.”

Again, it must always be remembered that all employers benefit in direct ratio as the health, fitness, and activity of their employees improve and increase. In Germany the advantage

accruing from the above fact alone has been found to repay amply the employers for the payments they have had to make under the German Insurance Acts, and in this connection it is desirable to point out that the burden placed upon the employer in Germany is about twice that which is imposed upon the employer in England, while the benefits which the employees obtain are rather less in Germany than here. This difference is principally due to two facts:

(1) In Germany the insurance schemes are worked by different departments of State, the working of which has been found to be very expensive. In England, as regards health insurance, it is being worked chiefly through the great friendly societies and insurance corporations. As regards unemployment insurance the existing organization of the labour exchanges is to be utilized, and the increased cost should not be great.

(2) In Germany the higher the wage the higher the employer's contribution. In England the lower the wage the higher the employer's contribution. Since 2*s.* 6*d.* a day may be regarded as the average wage for the purpose of the above it is obvious that the majority of persons receive a higher-than-average wage, and consequently that the German system bears more heavily upon the employer than our system. To give an example, to secure sickness and invalidity insurance in Germany the employer who pays 30*s.* a week wages contributes 6½*d.*; if he pays 6*s.* a week, 1½*d.* Under the Act the employer who pays 30*s.* a week contributes 3*d.* to secure sickness, invalidity, sanatorium, maternity, medical, and possibly additional benefits for his employee. If he pays 6*s.* a week in wages he contributes 6*d.*

To leave generalities and to consider the particular provisions of the Act it is necessary to notice in the first place that the Act gives very wide powers to the departments administering the Act of issuing regulations and orders and of settling disputes which arise under the Act. The Insurance Commissioners in particular have issued very many of these regulations and orders. There are still many more yet to be issued. At the

moment of writing—although the Act is now in force—there are still some thirty-nine regulations still to be made by them. The Board of Trade have likewise many regulations still to issue. Until these regulations have been issued the precise position of the various persons affected by the Act cannot in all cases be accurately determined.

In the second place this Act is compulsory in the main although it also has a voluntary side. All the persons employed within the meaning of the Act must be insured both for health and unemployment, but in the latter case the persons must be employed in the various trades described in the Act, whereas health insurance applies in general to every conceivable kind of regular employment. But though the Act is compulsory and though the person employed is alone insured, it is, in the case of the ordinary employed contributor, the person who employs him, or who is deemed to employ him, who is compelled by the Act to pay the contributions which secure such insurance. He is compelled to do this in two different ways: if he fails to contribute he is liable to a fine and the offence is a criminal one. It may be assumed, however, that in the vast majority of cases, the fine that would be inflicted would be a very small one; but, besides this liability to pay a small fine, he is also liable to the contributor whose contributions he has failed to pay, and this civil liability might quite conceivably be a very serious one indeed. The exact extent of the liability of the employer is not quite certain, but from the wording of section 70 of the Act failure to pay contributions might quite conceivably result in the employer having to pay a large capital sum equivalent to all the benefits the employee would have received if he had been insured. In the case of an employee disabled by sickness this would amount to a very considerable liability indeed. It is not, therefore, so much the fear of a small fine as the fear of having an action brought by sick or disabled workmen that will cause employers to pay the proper contributions under the Act. It need hardly be added, perhaps, that if the employer fails to pay contributions in respect of a person who should be an employed contributor,

upon such failure becoming known he may be forced to pay up all the contributions he has failed to pay. The above civil liability does not depend upon *wilful* refusal, the effect is the same if the employer neglects to pay, whether intentionally or otherwise.

In the third place it must be carefully noted that the employer is not entitled in any way to enter into any bargain or arrangement which will result in effect in deducting the employer's share of the contribution from the employee's wages. If he does so he is likely to find himself made liable to refund all such amounts wrongfully deducted. On the other hand, he is specially entitled by the Act to deduct the employee's share from the wages paid, whatever contract may have previously been made to the contrary. If no wages are paid he can recover such share by civil action.

Fourthly. As we have said above, the Act (as regards health insurance) has a voluntary side. All persons who work for their living, whether employed within the meaning of the Act or not, who satisfy the conditions laid down in the Act may, if they care to, become voluntary contributors. Thus, persons who are expressly excepted from the compulsory part of the Act may, as a rule, come within the State scheme on the voluntary side. It need hardly be added, perhaps, that the leading distinction between the voluntary contributor and the employed contributor consists in this—that in the former case the contributor pays the whole contribution, and is alone responsible for fixing the stamps and returning the cards, etc., whereas in the latter case the employer is alone responsible for making the contributions in the proper manner. Indeed, it is one of the most noticeable features of the Act that the employer, in the case of the employed contributor, is throughout made the person exclusively responsible for the payment of contributions. It was doubtless practically inevitable that some such arrangement should be made. It must, however, be remarked here that the employer is, in all cases, entitled, if he so wishes, to delegate the duties cast upon him by the Act to another; but if that other fails to carry out the duties delegated

to him the employer is alone responsible for the failure. Moreover, the Commissioners have decided that it is not desirable for approved societies to undertake such duties, for it was thought that if that were permitted employers would attempt to force their workpeople, directly or indirectly, to join those approved societies which undertook to relieve the employer of all the duties cast upon him. The Commissioners were able to restrain societies from undertaking such work by threatening to strike them off the list of approved societies. It is to be remarked that other societies or companies over whom the Commissioners can exercise no such control could undertake to do this work. Before we leave this question of delegation it should be noticed that as regards unemployment insurance the employer is expressly permitted in certain circumstances to delegate his duties to the appropriate labour exchange.

Another leading characteristic of the Act consists in this, that the persons entitled to benefits under the Act may obtain such benefits in one of two ways (we speak now exclusively of health insurance; the administration of Part II. of the Act is entirely different). They may, in the general case, either become members of an approved society or they may be deposit contributors. From the point of view of the employee who does not anticipate leaving the realm shortly there can hardly be any conceivable advantage in becoming a deposit contributor. It is not even more dignified. The Act has been so designed as to practically force every one who wishes to be insured to join an approved society. The Post Office contributor is, in fact, not insured at all. He simply pays so much money into the Post Office Fund, and if he requires benefits those benefits must be paid out of the money standing to his credit therein, and in this connection it must be remembered that administration expenses are deducted from the amount standing to his credit. When the money he has paid in has gone his right to benefits (other than sanatorium benefit) has also gone. In other words, he stands alone, and is in effect simply made to save a certain amount of his own, his employer's, and the taxpayer's money for the purpose of paying for his illnesses.

Again, under the Act, if the insured joins an approved society he may be able to claim one or more of a great number of benefits in addition to those specially given by the Act and further approved societies, in particular cases, are entitled to substitute pensions for the ordinary sickness and disablement benefits.

As we have already suggested, however, the chief advantage of becoming a member of an approved society lies in this—that such a person is really *insured*, *i.e.* he can rely upon the funds of the society for the payment of his benefits. Since, however, the solvency of these funds is not guaranteed by the State, one of the first things to consider before joining an approved society is the solvency of the society which again depends upon the efficiency and excellence of its administration. It must be remarked, however, that although the State does not guarantee the funds it has full power to make valuations and to take accounts, and it is also necessary for societies to give security to protect its members against the malversation of funds by the officials. But although these checks are imposed it is quite evident that the members of a badly managed society will not receive such valuable benefits as the members of a society which is better organized. It is desirable to add that a person who has been in the past a member of a society which has become approved is entitled to, and in the general case, should, continue on as a member of such society for the purposes of the State scheme, he may also remain on for the purposes of the voluntary side of the society's business; he may, on the other hand, remain on as a member of the voluntary side and take his State benefits through another society, but he would be ill-advised if he did so as he might lose many advantages which he would otherwise obtain.

The choice of a society once made the member will, as a rule, have to continue as a member or sacrifice his transfer value. This transfer value as the years go by, in the case of a good life, will become considerable in amount. It is lost if the member transfers without consent, but such consent must not be unreasonably withheld.

As regards the requirements which societies must conform to before they will be approved, it should be noticed that—

(1) They must be absolutely self-governed.

(2) They must not work for a profit.

(3) They must be under the absolute control of their members.

(4) There must be a minimum number of 5000 persons for the purposes of calculating surpluses and deficiencies, that is to say, although a society containing only twenty persons could become approved, in such a case the society must join with other societies in a group—such group containing at least 5000 insured persons—for the purpose of calculating any surpluses or deficiencies that might result from the administration of the Act by such societies. This, however, does not apply to Employer's Provident Funds where the employer does not guarantee solvency, etc.

As we have already remarked the administration of Part II. is entirely different from that of Part I. In the first place the machinery adopted by the Act is under the control of the Board of Trade and the organization utilized for the payment of benefits is in the general case the Labour Exchanges, and in some more special cases various approved Trades Unions.

To turn to another important part of the Act it will doubtless be known by the reader that in the case of the employed contributor the contributions payable are, in general, at a flat rate of 7*d.* for males and 6*d.* for females. These rates, however, vary, and the amounts which the employer, the employee and State pay depend to some extent on the sex, the daily rate of wage and the locality of employment of the employer. We consider these variations at considerable length later.

In the case of the voluntary contributor a flat rate of contribution is not provided save in the case of persons who enter into insurance within six months of the commencement of the Act and who are under forty-five years of age at such time. In such a case the contributions are the same as in the case of the ordinary employed contributor. In other cases the amount of the contribution depends upon the age and sex of the

contributor, and are calculated in accordance with Tables which have been issued. These Tables we give below.

As to the benefits given by the Act, these again depend to some extent upon whether the insured person is an employed contributor or member of an approved society or a Post Office contributor or a voluntary contributor. They also depend upon whether the contributor is in arrears with his payments or not, and whether he was in the past a member of a society which has become approved or not. Apart from the above, one of the most noticeable features of the scheme consists in this—that in the general case benefits are payable at a flat rate independent of the age but varying with the sex of the insured person. In consequence of this it was necessary to credit the various societies administering the Act with certain sums in respect of all persons over the age of seventeen. These sums are called reserve values, and are at a sliding scale varying with the age of the insured. They only apply in the case of persons who are members of approved societies or similar institutions. The purpose of these reserve values is, of course, to prevent the funds of the various societies from being swamped by an influx of members who are old in years. It is clear that the greater the age the worse the life from the point of view of insurance, consequently, since approved societies are not permitted to refuse an applicant for membership on the ground of age alone, their only protection against such a swamping of their funds is found in these reserve values. It will be understood that these reserve values are not merely paper debts for the purposes of account, but amount to real liabilities which are imposed on the Insurance Commissioners for the benefit of the approved societies. To enable the Commissioners to pay off these sums they are empowered by the Act to deduct a certain sum from the contributions paid in respect of each insured person. Such deduction is at a flat rate. We consider this subject at length later.

Before we pass from the general consideration of benefits it should be noticed that, in the general case, insured persons are not entitled to transfer or assign their rights to receive benefits

under the Act. In the case of the Post Office contributor, however, he has a limited power of leaving a part of the amount standing to his credit on death.

Finally, it must be remembered that there are certain special classes of insured persons who are subject to provisions substantially different from those applicable in the case of the voluntary contributor. These special classes are—

- (1) Married women and widows in certain cases.
- (2) Aliens.
- (3) Persons in the Naval and Military service of the Crown.
- (4) Employees in a trade or locality where there is a custom to pay wages during sickness.
- (5) Members of the Mercantile Marine.
- (6) Persons over sixty-five years of age at the commencement of the Act.
- (7) Persons engaged in seasonal trade.
- (8) Inmates of charitable homes and reformatory institutions.
- (9) Persons who become certificated teachers.
- (10) Outworkers.

Many of the rules relating to the above are extremely complex, due chiefly to the detailed financial provisions relating to them. We deal with these special classes in Part I. of this book.

As regards Part II. of the Act the most noticeable features are : (1) contributions are at a flat rate, but depending to some extent upon age ; (2) benefits are at a flat rate, depending, however, to some considerable extent as regards duration upon the number of contributions paid in ; (3) the benefits consist in general in a weekly payment during unemployment, but in certain cases if the employed is over sixty he can claim a capital payment of a portion of the amount paid in, and this claim can be sustained by his representative upon his decease ; (4) the benefits may be claimed either through the Labour Exchanges direct or through an approved Trades Union, in the latter case the money payment from the unemployment fund is not made to the workman but to the Trades Union, the workman looks to his Union for his benefits ; (5) there is power to pay out of unemployment funds the cost of technical instruction

in order to make a workman competent and so relieve the fund from the steady drain upon it which his incompetence results in; (6) there is an elaborate machinery created for the settlement of disputes and difficulties relating to the right to claim benefits and the duty to contribute. Insurance Officers, Courts of Referees and the Umpire all have given to them considerable judicial powers, indeed the provisions relating to these officers together with those which refer to the arrangements which may be made with Trades Unions make up a considerable part of Part II. of the Act.

Finally, it should be remembered that the employer is able to claim a refund of part of his contribution in certain cases, noticeably where he has employed the same workman continuously for a considerable time and also where he has paid his workman's part of the contribution during slack times. The regulations relating to these refunds are, however, unfortunately, of a somewhat complicated nature.

As regards Part III. of the Act. This contains but a few sections of a general nature relating to the stamps to be used, the priority of claims due by bankrupt employers, outdoor relief (section 109 providing that in granting outdoor relief to a person in receipt of or entitled to receive any benefit under the Act the guardians must not take into consideration any such benefit unless it exceeds 5s. a week), the provision of cheap birth certificates and the powers of inspectors. Section 112 deals with this last subject, and states at some little length the persons whom he may require to give information. It also states the penalty which is incurred if such information is not given. It is to be noticed here that no person is bound to give evidence to an Inspector which tends to incriminate the giver of the information.

QUESTIONS AND ANSWERS ON NATIONAL INSURANCE

PART I.—NATIONAL HEALTH INSURANCE

NOTE.—*This part of the Act came into force on July 15th, 1912.
Persons wishing to join approved societies should join
them before October 15th, 1912.*

THE first thing that an employer must definitely know in connection with this Act is, Who is, and who is not, an employed contributor under the Act? Before he can know this it is necessary for him to have before him a list of those persons who are excluded or exempted from the operation of the Act. For the benefit of persons who, though not compelled to come within the State scheme, yet desire to become voluntary contributors, it seems desirable to consider who may and who may not so come voluntarily within the Act. To explain these points will be the purpose of the first division of this book.

DIVISION A, INSURED PERSONS

SECTION I.—WHO ARE COMPULSORILY INSURED ?

Generally—

All persons of the age of 16 or upwards who are employed in the United Kingdom or upon any British ship under any contract of service or apprenticeship must, except as hereafter mentioned, be insured under the Act.

In particular—

(1) the master or member of the crew of any ship registered in the United Kingdom, or of any other British ship or vessel of which the owner resides or has his principal place of business in the United Kingdom.

(2) Outworkers, unless excluded by a special order of the Commissioners (which has not yet been made), or unless such outworker is the wife of an insured person and is not mainly dependent for her livelihood on her earnings in such employment, and is not specially included by order.

(3) Persons who ply for hire in a hired vehicle or vessel. In such cases the owner of the vehicle, etc., is deemed to be the employer for the purposes of the Act.

(4) Apprentices, unless they receive no money payment.

(5) Domestic servants, whether they receive remuneration or not. See *infra*, Section V.

(6) Charwomen, unless the employment is entirely casual, *i.e.* women who come to clean regularly must be insured. Even if casual they must be insured if the cleaning is done for the purposes of the employer's trade or business.

(7) Actors, unless paid at a remuneration in excess of £160 a year. But note, musical hall artists are in the general case exempt.

(8) Teachers in private schools, and all teachers unless they come within the Elementary School Teachers' Superannuation Act, 1898, etc.

(9) Golf caddies and persons employed casually if such employment is for the purposes of the employer's trade or business or for the purposes of any game or recreation where the persons employed are engaged *or* paid through a club. The Commissioners are issuing special regulations dealing with these persons.

(10) Persons employed at certain seasons only, *e.g.* maid-servants at seaside boarding houses who are only employed as such for a few weeks in the year.

(11) Persons whose income is in excess of £160 per annum if they earn such income by way of manual labour. What is manual labour is a question of fact. Persons interested in such question may apply to the N.H.I.C. for a determination of the question under section 66 (1) (a) of the Act. A person is regarded as a manual labourer if he is liable to be asked to work with his hands at any time, although in fact he is very rarely so asked. Example: foreman liable to give a hand occasionally.

(12) Foreigners, whether they receive wages or not for their services and whether they are permanently resident in this country or not.

(13) Pieceworkers.

(14) Nurses, but not certificated midwives, who work on their own account. In the cases of nurses the employer is the institution or person under whose general control they are and who has the power of dismissal. In the case of a nurse who attends a patient at his home and who is employed by him on the recommendation of a doctor, the patient is the employer although the doctor has the general control of the nurse as regards the things she has to do and the way she has to do them.

(15) Children (of course over the age of 16) who are employed by their parent or parents if they receive money wages, but not otherwise. Payments by way of pocket money if really

mere gifts are not wages. Whether such payments are gifts or wages is a question of fact. Board and lodging does not count as wages in this connection.

(16) Agents paid by commission. But see *infra*, Section III. (6).

(17) Waiters and hotel porters, whether in receipt of wages or not.

Points to notice—

When deciding whether a certain person must be compulsorily insured or not—

(1) Sex makes no difference.

(2) No person comes within the compulsory part of the Act unless employed.

(3) The smallness of the remuneration makes no difference.

(4) The rareness of the employment does not exempt unless the employment thereby becomes casual.

(5) As regards the amount of the remuneration which entitles one to be excepted the question is not, Is my income more than £160 a year? but, Is the rate of my remuneration in excess of £160 a year?

Should the employer or employed be unable to decide whether any employment or any class of employment is or will be within the compulsory part of the Act, such person is entitled to put a question to the Insurance Commissioners for determination, such question together with the requisite information should be entered upon Form X. 4, which will be forwarded by the Commissioners upon application. It is necessary to point out, however, that *any person interested in the determination of the question* may appeal from the decision of the Commissioners to the County Court, and from thence to the High Court. Stating a difficulty might therefore quite easily become a tedious and expensive business.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. (a) A British seaman is employed for six months in each year on a foreign yacht, and for the remaining six months on a British ship. Who pays?

Ans. The seaman is not required to pay any contributions while serving on the foreign ship ; while so employed he would be regarded for the purposes of the Act as unemployed. To avoid falling into arrears he could pay the whole contribution himself, as other unemployed persons are entitled to do.

Quest. (b) What is the position of a chauffeur who goes abroad with his master touring ?

Ans. It depends upon whether such employment can be referred to as "employment in the United Kingdom." It is clear that while in the United Kingdom he is compulsorily insured, it may be that the whole service is employment in the United Kingdom with an incident attached that the person may be required to go abroad ever so often. If this is so the person is compulsorily insurable, and the master could stamp his card in advance before going abroad.

Quest. (c) A person is permanently employed for a society for a few hours a week at £15 a year. His main source of income is derived from doing odd jobs as a carpenter. What is his position ?

Ans. As a jobbing carpenter he is not under a contract of service with anybody—he is on his own—therefore not compulsorily insurable. As to the permanent employment he is within the compulsory part of the Act unless such employment comes within the employments excepted as being subsidiary employment specially excepted by Orders I. and I.a of the N.H.I.C. See *infra*, Section V.

Quest. (d) A woman takes in lodgers and waits on them herself : is she compulsorily insured ?

Ans. Such a person is not under a contract of service. Consequently she need not be insured.

Quest. (e) A small tobacconist makes £105 a year, is he insurable?

Ans. Yes, but not compulsorily. See *infra*, Section II.

Quest. (f) Must a charwoman who comes in casually to clean an office be insured?

Ans. Yes, since she is employed for the purposes of trade or business.

Quest. (g) Must a sandwichman be insured?

Ans. Yes. See preceding answer.

Quest. (h) A head chauffeur who does repairs earns £180 a year. Is he exempt?

Ans. No. Such a person has been decided to be employed by way of manual labour; he is therefore within the compulsory part of the Act whatever his income might be.

Quest. (i) A butler has £100 a year and a freehold house worth £30 a year. Is he exempt?

Ans. He is entitled to claim exemption as being in receipt of an income of the annual value of £26 or upwards not dependent upon his personal exertions. Such exemption excludes him from insurance but does not exempt his master from paying the employer's contribution. If the butler is allowed the use of the house as a part of his wages then, of course, he cannot claim exemption.

Quest. (j) Are sons and daughters engaged in their father's business and boarded and lodged by him but not in receipt of any wage compulsorily insured?

Ans. No. They only come within the compulsory section if in receipt of a money wage.

Quest. (k) If a man has his sister to live with him to look after his infant child is such sister compulsorily insurable although she receive no wages?

Ans. Yes, unless the sister is acting out of kindness and is in no sense employed. The decisive question here is, "Is there a contract of service?"

Quest. (l) Is an employee of a firm who gives full remuneration during sickness, disease, and disablement compulsorily insurable?

Ans. Yes. There is no such thing as contracting out of the Act; there is no such thing as being generally excepted because the employer pays full remuneration during sickness. In consequence of the provisions of section 47 of the Act—which does not apply at all to persons employed at a remuneration of less than 10s. a week—if the employer does so pay full remuneration Part I. of the Act applies, and the employee must be compulsorily insured; but his position is exceptional. See *infra*.

Quest. (m) What is the position of a person who employs a clerk "when wanted"?

Ans. Casual labour apparently for the purposes of the employer's trade or business, therefore insurable.

Quest. (n) A bank clerk who now earns £150 a year but is informed that he is to receive £165 as from the 1st of January, 1913. Is he bound to pay in the mean time?

Ans. His employer is bound to pay for him. Such a person cannot benefit under the Act in any way save that if he deposits his contributions in the Post Office his nominee on his death is entitled to four-sevenths of the sum deposited, and if he permanently ceases to reside in the United Kingdom and proves the same to the satisfaction of the Insurance Committee he can withdraw four-sevenths of the sum standing to his credit.

Quest. (o) Does a person who earns less than £160 a year as an employed person come within the Act if he is already fully insured?

Ans. The fact of previous insurance makes absolutely no difference.

Quest. (p) A commission agent works regularly for three employers, each of whom pays him approximately the same amount. Does he come within the compulsory part of the Act?

Ans. No. This is a slip made in the drafting of the Act. A commission agent to be compulsorily insurable must be mainly dependent for his livelihood on *one* of such employers. In the case given he is not mainly dependent on any one person.

Quest. (r) A secretary of a company draws a salary of £100 a year as such, he has £600 invested in it for which he gets as income £24 a year, he also does journalistic work for which he gets £20 a year, and acts for three hours during the evenings on five days a week as a private secretary for which he gets £50. Is he compulsorily insurable?

Ans. Yes. Although his total earned income is in excess of £160 a year, and although he is not engaged in manual labour, he comes in because in none of the employments above-mentioned is he paid at a *rate* of remuneration exceeding £160 a year for full time service.

Quest. (s) Is a journalist employed within the meaning of the Act?

Ans. It depends whether there is a contract of service or whether he simply contributes as and when he likes. In the latter case he is outside the scope of the Act.

Quest. (t) Is an artist's model who works for dozens of different artists within the Act? The person who employs her first in the week pays her in kind not in money.

Ans. Such a person must be insured and first person in the week to employ her must pay the contribution based on the daily rate of wage paid to her by that employer. In reckoning the daily rate of wage the value of the payment in kind *to the model* must be taken as her wage. As to the amount of contribution payable in various cases, see *infra*, Section VIII. Alternatively the various

employers could join together, one pay one week, another the next, and so on.

Quest. (u) A man earns £140 a year and his wife earns £60 a year, and pays over her earnings to him for the general upkeep of the house. Is he exempt ?

Ans. No. It is the rate at which the man earns, not the quantity of money which goes into his pocket, which counts. Nor can the man regard the wife's £60 paid to him as unearned income so as to entitle him to be exempted. It is not his income but a voluntary donation repeated ever so often.

SECTION II.—WHO MAY BECOME VOLUNTARILY INSURED?

ANY person though not employed within the meaning of Part I. of the Act may join in the scheme as voluntary contributors in the cases following:—

(a) if engaged in some regular occupation and if wholly or mainly dependent for his livelihood on the earnings derived by him from that occupation;

(b) if he has been insured under the Act as a compulsory contributor or otherwise for a period of five years or upwards.

Should, however, the total income of such person, as derived from all sources, exceed £160 per annum, such person will not be entitled to be a voluntary contributor *unless* he has been insured under the Act for a period of five years or upwards.

Further, a person who is over 65 years of age and has not been previously insured under the Act may not become insured as a voluntary contributor.

(c) a woman who was an insured person before marriage may, if she ceases to be employed after marriage, retain her rights to certain benefits under the Act if she continues to pay 3*d.* a week as a voluntary contributor. Such a person is termed a married woman voluntary contributor and should be distinguished from an ordinary voluntary contributor. See *infra*, section XIV.

The main distinction between voluntary contributors and employed contributors, apart from the fact that the former *may* and the latter *must* be insured, consists in this—that the voluntary contributor pays the whole contribution himself and is responsible for the stamping of his card, etc. Another difference lies in the fact that the contribution is at a rate increasing with the age of the contributor. We shall deal with these differences at greater length later.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. (a) Can a clerk who receives in wages £154 per annum and in bonuses £6 10s. become a voluntary contributor?

Ans. No; his income from all sources being in excess of £160 per annum.

Quest. (b) Is a man who receives £140 a year for lecturing two hours a day (a) compulsorily, (b) voluntarily insurable?

Ans. He is not compulsorily insurable, since his rate of remuneration is in excess of £160 a year for full time service. He may come within the scheme as a voluntary contributor if his income from all sources, unearned as well as earned, is under £160 per annum.

Quest. (c) Can small tradesmen who make less than £160 per annum join in as voluntary contributors?

Ans. Yes. Unless over sixty-five years of age, etc.

Quest. (d) In such a case (*Quest. c*) if the wife helps in the shop, can she become a voluntary contributor as well?

Ans. Not unless she is mainly dependent for her livelihood upon the earnings derived by her from that occupation. If, however, she has been an insured person under the Act for a period of five years or upward, she is entitled to become an ordinary voluntary contributor.

Quest. (e) Can a chronic invalid become a voluntary contributor?

Ans. Yes, if engaged in some regular occupation and is mainly dependent on his earnings at such occupation. Not otherwise.

Quest. (f) A park keeper who earns £100 a year is made head park keeper at £130 a year, together with tips and the use of a house, light, and coal. Total money equivalent of perquisites, £50

a year. He has been an employed contributor for many years. What happens? Is he excluded?

Ans. If he has been compulsorily insurable for a period of five years and upward, he is entitled to become a voluntary contributor, although his income from all sources is in excess of £160 a year. He will be entitled so to continue, even though at the time of his advancement he is more than sixty-five years of age. If he does not care to become a voluntary contributor he ceases to be an insured person, and consequently ceases to receive any of the benefits under the Act.

Quest. (g) Can a person who is compulsorily insured also be voluntarily insured?

Ans. No. Double insurance under the Act is not permitted.

Quest. (h) When should a voluntary contributor enter insurance?

Ans. If over 45 years of age before the 15th day of January, 1913, if possible. Persons coming in before that date pay smaller weekly contributions than persons who come in after that date. See *infra*, Section IX.

Quest. (i) Can a person who receives as income £150 from Consols join in as a voluntary contributor?

Ans. No. He must be mainly dependent upon earnings.

Quest. (j) Does any kind of employment, whether by service or otherwise, entitle the person so employed to become a voluntary contributor?

Ans. Yes. If mainly dependent upon such employment, unless such employment makes him an employed contributor.

Quest. (k) Can a daughter who assists her mother in the house duties be a voluntary contributor?

Ans. No. If her mother pays her wages she is an employed contributor. If her mother does not pay her wages, she is not mainly dependent on her earnings, etc. If, however, she has for five years been an employed contributor, she may, although paid no wages, become a voluntary contributor.

Note.—If a person who desires to become a voluntary contributor is unable to determine whether he is entitled to become a voluntary contributor or not he may submit a question to the N.H.I.C. upon Form X. 4. There is a right of appeal from such decision to the County Court and from thence to the High Court.

SECTION III.—WHO ARE EXCEPTED FROM BEING INSURED ?

NOTICE in the cases following, the various persons therein mentioned *cannot* come within the State scheme *as employed contributors* ; it may be, however, that they are entitled to join in as voluntary contributors. Whether they are so entitled or not will depend on the principles laid down in the preceding section.

Such persons must be distinguished from employed persons who are entitled to claim exemption. These we shall consider in the section following this present one.

The following persons are excepted from compulsory insurance :—

(1) Persons who are not employed under a contract of service.

(2) Persons under 16 or over 70 years of age.

(3) Persons employed as apprentices or learners receiving no wages.

(4) Children of an employer receiving no money payment as wages, or in respect of employment, and persons who are maintained by their employer without wages.

(5) Wives employed by husbands, and *vice versâ*.

(6) A commission agent or agent paid otherwise than by salary, unless mainly dependent for his livelihood on one employer.

(7) Teachers to whom the Elementary School Teachers Superannuation Act, 1895, or a scheme under section 14 of the Education (Scotland) Act, 1908, or the National School Teachers (Ireland) Act, 1879, applies, or, in the event of any similar enactment being hereafter passed as respects teachers or any class of teachers (other than teachers in public elementary schools), as a teacher to whom such enactment applies.

(8) Persons employed by the occupier of an agricultural holding without wages.

(9) Persons casually employed. But employment, though of a casual nature, which is for the purpose of the employer's trade or business or for the purposes of any game or recreation when the persons employed are engaged or paid through a club, is *not* excepted.

(10) Employment of any class which may be specified in a special order and which is generally adopted as subsidiary employment only. An order excluding various persons under this clause has been made and excludes the following from compulsory insurance :—

- (1) Organist or other musician.
- (2) Member of a choir.
- (3) Acolyte.
- (4) Beadle.
- (5) Organ blower.
- (6) Sacristan or vergier.
- (7) Sexton.
- (8) Bell ringer.

where such employments involve part-time service only in or about a place of religious worship; also—

- (9) Probation officer.
- (10) Member of a fire brigade.
- (11) Temporary drill instructor in the Territorial Force.
- (12) Member of a town band.
- (13) Political agent.
- (14) Water bailiff.
- (15) Lay preacher or Scripture reader.

when such employments involve part-time service only; also in the case of the following employments involving part-time service only in or about a place of public entertainment :—

- (16) Money taker.
- (17) Check taker.
- (18) Stage hand.
- (19) Property man.
- (20) Fly man.

- (21) Dresser.
- (22) Usher.
- (23) Linkman.
- (24) Programme seller.
- (25) Bar attendant.

(The last two are only excepted if not otherwise ordinarily engaged in the employment of the person to whom the service is rendered.)

To these must be added the following employments:—

- (26) Member of the crew of a lifeboat.
- (27) Special constable.
- (28) Town crier.
- (29) Hop tyer.
- (30) Caretaker where no wages are paid.

(31) Deliverer of postal letters who does not render more than 18 hours' service weekly.

(32) Milkers not otherwise ordinarily engaged by the person to whom the service is rendered.

(33) Persons who deliver milk or newspapers where the employment is not continued later than 9 a.m., and the person employed is not otherwise ordinarily engaged in the employment of the person to whom the service is rendered.

(34) Secretaries or clerks to societies, clubs, philanthropic institutions, school or other similar body where the employment involves occasional attendance only.

- (35) Hop-pickers.
- (36) Fruit-pickers.
- (37) Pea-pickers.
- (38) Flower-pullers.
- (39) Potato raisers or gatherers.

(35—39) are to be insured if they were insured persons immediately before entering upon any of the above employments.

(11) Members of the crew of a fishing vessel where such members share profits if a special order is made by the Insurance Commissioners to exclude them. Such order has not yet been made.

(12) Employees under the Crown or any local or other public authority where the Insurance Commissioners certify that the terms of the employment are such as to secure provision in respect of sickness and disablement on the whole not less favourable than the corresponding benefits conferred by Part I. of the Act.

(13) Employment as a clerk or other salaried official in the service of a railway or other statutory company, or of a joint committee of two or more such companies, where the Insurance Commissioners certify that the terms of employment, including his rights in such superannuation fund as is herein-after mentioned, are such as to secure provision in respect of sickness and disablement, on the whole, not less favourable than the corresponding benefits conferred by Part I. of this Act, and the person so employed is entitled to rights in a superannuation fund *established by Act of Parliament* for the benefit of persons in such employment, or in Ireland is entitled to rights in any such superannuation fund or in any railway superannuation fund which may be approved by the Insurance Commissioners.

With regard to this last exception it is necessary to make a few comments.

In the first place "statutory company" means a company created by a private Act of Parliament and does not include companies formed under the Companies Consolidation Act, 1908.

Secondly, not only must the Commissioners certify that the terms of employment secure provision in respect of sickness and disablement not less favourable than the corresponding benefits under the Act, but the employee must also be entitled to rights in a superannuation fund *established by Act of Parliament*. This latter point seems to be frequently overlooked by persons affected.

Thirdly, application for a certificate of exception should be made to the N.H.I.C. on Form X. 17, which must be accompanied by a schedule (Form X. 18) detailing the terms of employment.

The employers must also undertake to give notice (in
N.I. C

Form X. 19) to all persons in respect of whose employment a certificate of exception may be granted.

The employers must also keep a register of such persons.

(14) Inmates of charitable homes or reformatory institutions, although employed by the managers to do work, if the Insurance Commissioners have granted a certificate of exemption to the managers.

Here again some further comments are desirable.

No such certificate of exemption will or can be given unless the managers prove that the inmates receive maintenance and medical attendance when sick.

Although a certificate of exemption is granted the managers shall be liable to pay in respect of any such inmate who, having been an inmate of the institution for more than six months, leaves the institution, the following sums :—

(a) In the case of a person who was at the time of entering the institution below the age of sixteen, such capital sum as will be sufficient to secure him benefits under this Part of this Act at the full rate ;

(b) In the case of a person who was at the time of entering the institution of the age of sixteen or upwards, and who was at that time an insured person and a member of an approved society, a sum equal to the value, calculated in the prescribed manner, of the contributions which, apart from this section, would have been payable in respect of him during the time he was in the institution.

Should an insured person enter an institution whose members are excepted he will be suspended from benefits whilst he is such an inmate, and, if he was at such time a member of an approved society and has been an inmate of the institution for a period exceeding six months, the time during which he is in the institution will be disregarded for the purpose of reckoning arrears.

(15) Married women employed as outworkers who are mainly dependent for their living upon their husbands, unless specially included by order.

(16) Finally we must give perhaps the most important

exception of all:—Persons employed *otherwise than by way of manual labour* and at a *rate of remuneration exceeding in value one hundred and sixty pounds a year*, or in cases where such employment involves part-time service only, at a rate of remuneration which, in the opinion of the Insurance Commissioners, is equivalent to a rate of remuneration exceeding one hundred and sixty pounds a year for whole-time service, are not required to be insured at all. It is to be carefully noted that the question is, “What is the rate of remuneration?” not “What is the total income?”

The above list it is believed completely exhausts the classes of excepted persons; but it must be remembered that many others may claim exemption. As to this, see the section following.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE EXCEPTIONS.

Quest. (a) Is a daughter engaged as assistant in her father's drapery business but not in receipt of a wage, though boarded and lodged free, excepted?

Ans. Yes. The wage to bring her within the Act must be paid in money, not money's worth. See exception (4).

Quest. (b) Are curates excepted?

Ans. Yes. They are not employed under any contract of service. See exception (1). The same applies to Nonconformist ministers.

Quest. (c) Is an out-of-work compulsorily insurable?

Ans. No. Since he is out of work he is not employed. If he has been employed and insured he can continue to keep up his payments to avoid falling into arrears. In such a case he must pay the whole contribution himself as if he were a voluntary contributor.

Quest. (d) Is an outside porter excepted?

Ans. Yes, if entirely on his own, since he is not

employed under a contract of service. He is in the same position as a jobbing gardener. See exception (1).

If, however, he is attached to a particular hotel he is insurable even though the hotel proprietor pays him nothing. In such a case the hotel manager will be regarded as his employer for the purposes of the Act. His position is the same as waiters (unpaid). Commissionaires, lift boys, etc., are all in a similar position, paid or unpaid. If unpaid, see *infra*, Section VI. B, for the means the employer may adopt to recover contributions paid on their behalf.

Quest. (e) Is a sexton, who also acts as a verger and who in one capacity or the other is employed all his time, excepted?

Ans. No. Exception (10) (6 and 7) exempts only if the employment is subsidiary; in the case given, since he spends his whole time doing one or the other, both cannot be subsidiary.

Quest. (f) A premium apprentice receives no money wage but gets his lunch free every day. Is he compulsorily insured?

Ans. No. An apprentice is excepted if he receives no money payment. Money's worth does not count. See exception (3).

Quest. (g) A window cleaner is employed at irregular intervals. Is he excepted?

Ans. Very doubtful. If the facts are such as to make it clear that he is really a casual he is excepted unless the work is done for the purposes of the employer's trade or business, etc. Whether cleaning an office window is employment for the purposes of the employer's trade is a question which cannot be answered with any certainty, but apparently it is. See exception (9). If he is working on his own account he is of course excepted not being under a contract of service.

Quest. (h) Youth's father a jobbing gardener. Youth helps in the work and receives a share in the takings. Is he insurable compulsorily ?

Ans. Not unless the servant of his father. See exception (1).

Quest. (i) A small tradesman is assisted by his wife as book keeper. Is she insurable ?

Ans. No. She comes within exception (5).

Quest. (j) Is a concert singer whose rate of remuneration is less than £160 a year insurable ?

Ans. Not compulsorily. Such a person is not employed under a contract of service. Similarly with music-hall artists ; but *contra* in the case of music-hall artists' assistants and also in the case of actors. Actors come within the compulsory part of the Act since they have to act as instructed.

Quest. (k) Are lodging-house keepers who wait on their lodgers excepted ?

Ans. Yes. The contract is not one of service.

Quest. (l) Is a married woman who makes matchboxes at home compulsorily insurable ?

Ans. Not if she is mainly dependant upon her husband for her living. See exception (15). With regard to these persons it must be remembered that the Insurance Commissioners can make an order to include such persons and from the report of the Outworkers' Committee and the reply to a Member's question, House of Commons, May 21st, 1912, it is evident that such persons will be ultimately included. No such order has at present been made.

Quest. (m) A dresser at a theatre receives 3s. each performance. Frequently out of employment for a month or more. Is he excepted ?

Ans. Such employment is subsidiary and is specially excepted. See exception (10) (22).

Quest. (n) Salary without perquisites less than £160 per annum, with perquisites over £160 per annum. Is such a person compulsorily insured?

Ans. No. In calculating the rate of remuneration account must be taken of all things paid in kind. In determining the value of such payments the value to the recipient is the basis upon which the calculation must proceed. See exception (16).

Quest. (o) A French governess who goes with the children to the south of France for the winter. Is she compulsorily insured?

Ans. While in the United Kingdom certainly, when abroad it is doubtful, but apparently she is. The card could be stamped in advance.

Quest. (p) What is the position of visiting teachers to schools?

Ans. It depends on whether there is a contract of service between such a teacher and the proprietor of the school. If the proprietor or his agent has the legal power to tell such a teacher not only what he wants done but also when and how to do it there is probably a contract of service, otherwise if the teacher merely comes so many hours a week to teach such and such subjects at a fixed fee he is probably not employed within the meaning of the Act, and therefore not compulsorily insured.

Quest. (r) A daughter helps her mother in the house and receives a dress allowance. Has she to be insured?

Ans. If there is no legal liability to make the allowance it is neither a wage nor a payment made in respect of employment, and therefore the daughter is excepted under exception (4).

Quest. (s) A person ordinarily engaged as an outworker being out of employment goes as a hop-picker. Is she excepted ?

Ans. If whilst employed as an outworker her employer paid contributions for her under the Act, and if when unemployed she continued her contributions she is clearly not excepted. See exception (10) (35-39 note). Otherwise she is. Note the word "immediately."

Quest. (t) What is meant by the "inmate" of a charitable, etc., institution ?

Ans. Apparently only the persons in receipt of the charity or who are being reformed. That is to say it does not include the in-dwelling staff since the Act goes on to say, "inmates . . . supported by the institution, etc."

Quest. (u) An employee informs his employer that his income is in excess of £160 per annum. In fact it is not. What is the employer's position ?

Ans. The employer must consider what is the rate of remuneration which *he* is paying the employee. If it is less than £160 per annum he must contribute on behalf of such employee in the ordinary way.

SECTION IV.—WHO MAY BE EXEMPTED FROM BEING INSURED ?

I. WHERE any person employed within the meaning of Part I. of the Act proves that he is either—

(a) in receipt of any pension or income of the annual value of twenty-six pounds or upwards not dependent upon his personal exertions ; or

(b) ordinarily or mainly dependent for his livelihood upon some other person ;

he is entitled to a certificate exempting him from the liability to become or to continue to be insured under Part I. of the Act. All claims for exemptions on either of the above grounds must be made to the Insurance Commissioners upon Form X. 1. See below, *Quest. (I.)*.

By regulations the Insurance Commissioners may, however, hereafter provide for claims under this section to be made to approved societies and insurance committees. Such regulations have not yet been made.

Claims may be granted before or after the commencement of the Act.

II. A certificate of exemption will also be obtainable by any person employed in harvesting or other agricultural work who proves—

(a) that he is an Irish migratory labourer, that is to say, a person who, having a permanent home at some place in Ireland, has temporarily removed to some other place in Ireland or to Great Britain for the purpose of obtaining such employment ; and

(b) that he ordinarily resides at such permanent home for not less than twenty-six weeks in the year and is not employed within the meaning of Part I. of the Act whilst so resident.

III. Persons under 65 years of age on the 15th July, 1912, who subsequently become employed after attaining the age of 65 and who have not previously been insured under the Act.

IV. Persons in the Naval and Military service of the Crown, who have completed the period of their first engagement, and have re-engaged for pension. Such person is really excepted, unless he elects to come in, *i.e.*, if he does not come in, no contributions are payable in respect of him.

V. As we have already noticed, the managers of charitable and reformatory institutions may claim the exemption of their inmates and certain employers may claim exemption of their employees. Both these classes are, however, essentially different from the classes we are now considering and are more properly regarded as excepted persons than as exempted employees—and as such we have treated them above.

The distinction between a person who is exempted and one who is excepted from the operation of the Act lies in this :—The former can come within the scheme of the Act if he wishes, the latter cannot ; further, an employed contributor who claims exemption, although he himself is excluded from all the benefits under the Act and is exempted from the liability to contribute his employer is still bound to contribute the employer's portion of such employee's normal contribution.

Such employer's contributions are in the case of Class I., *supra*, carried to an account and dealt with in a manner to be prescribed by Regulations to be issued by the Insurance Commissioners.

Should the person who has claimed exemption subsequently become an employed contributor the sums which have been paid in by such person's employer, while he was exempt, may, if the Regulations so provide, be applied for the benefit of the person previously exempt.

In the case of Class II. any contributions paid in Great Britain by the employer of a person holding a certificate of exemption by virtue of this provision shall be transferred to the Irish Insurance Commissioners for the purpose of being carried to such account and being dealt with in such manner as

may be prescribed by the regulations made in that behalf by the Irish Insurance Commissioners.

It should be noticed here that should any person who comes under Class II. obtain employment as a hop-picker, fruit-picker, pea-picker, flower-puller, or potato-raiser or gatherer, such person will not be excepted from compulsory insurance as being employed in a subsidiary employment.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. (I.) How does one claim exemption ?

Ans. Write the Secretary, The National Health Insurance Commission, Buckingham Gate, S.W., for Form XI. Fill such form up and return to the office of Customs and Excise for the district in which the applicant resides. Applications made before July 15th, 1912, had to be sent to the Insurance Commissioners direct.

We append a Claim for Exemption Form.

Claim for Exemption.

1. Full name of claimant	_____
2. *Home address	_____
3. Sex	_____
If a woman state whether you are—	
(a) single	_____
(b) married or	_____
(c) a widow	_____
4. Employment	_____
5. Name and address of employer	_____
6. Do you claim exemption on the ground that you are—	
(a) in receipt of a pension or income of the annual value of twenty-six pounds or upwards not dependent upon your personal exertions, or	_____
(b) ordinarily and mainly dependent for your livelihood upon some other person	_____

WHO MAY BE EXEMPTED FROM BEING INSURED ? 27

7. If you claim (a) on the ground of income state—

The source from which your pension or income is derived Its gross amount
£ s. d.

1 _____
2 _____
3 _____
4 _____

If any of the items of income mentioned above are liable to any deduction, state—

Gross total of income on which the claim is based _____

The nature of the deduction Its amount

1 _____
2 _____
3 _____
4 _____

Total of deductions _____

Net total of income on which the claim is based _____

8. If you claim (b) on the ground of dependence state—

(i) Name of person on whom you are dependent

(ii) his (or her) relationship (if any) to you

(iii) his (or her) home address* _____

* The postal address in full should be given

(iv) The nature and extent of the support received from him (or her)

(v) Amount of any payment made in consideration of the support received

(vi) Income derived from employment

9. Have you previously made a claim for an exemption certificate?

If so, state the date on which the claim was made

And the result of the claim

I have clearly understood the above questions, and to the best of my knowledge and belief all the statements made by me in this claim are correct, and so far as I know I am entitled to a Certificate of Exemption from health insurance.

Signature (or Mark) of Claimant _____

Signed (or Mark made) in my presence.

*The signature must be witnessed by an Officer of Customs and Excise, or, failing him, by a householder.

Witness* _____

Address _____

Date _____

To the National Health Insurance Commission (England).

If any person wilfully makes any false statement with a view to obtaining exemption, or is otherwise guilty of any contravention of or non-compliance with the Regulations of the Commissioners dealing with Exemption, he shall be for each offence liable on Summary Conviction to a fine not exceeding Ten Pounds.

INSTRUCTIONS TO PERSONS CLAIMING EXEMPTION.

1. *There is no necessity to apply for a certificate unless you are actually employed.*

2. *When the form has been filled in and signed it should not be enclosed in an envelope but should be folded and posted to the Officer of Customs and Excise for the district in which applicant resides. It need not be stamped. If the applicant has found any difficulty in filling up the form correctly, he may deliver it in person to the Officer of Customs and Excise, who will be prepared to assist him as far as possible.*

3. *If a certificate is granted it will be in force for a year and an exemption book will be issued to you. At the end of the year the certificate must be given up. A claim may then be made for a fresh certificate; the special form of claim provided in the exemption book should be used.*

4. *In claiming exemption on the ground of income it is not necessary that you should disclose the whole of your income: but you must be prepared to prove that the income disclosed is sufficient to entitle you to exemption.*

5. *In stating your income full and separate references should be given to the source of each item, e.g., name of person, class and denomination of any stocks or shares, place and address of land or houses, &c., from which the income is received.*

6. *Under the head of deductions all expenses which are essential to the receipt of the income should be included. For example, such items as mortgages, repairs, cost of collection of rent, &c., should be stated.*

7. *In claiming exemption on the ground of dependence it should be stated whether the support received includes board, lodging, clothes, &c.*

NOTE.—The certificate of exemption will remain in force for a period of twelve months. On the expiration of that period the holder must claim a renewal in the Form following.

Claim for Renewal of Certificate of Exemption.

I _____ of _____ of _____
claim a renewal of the Certificate of Exemption issued to me for the period
ending _____, and hereby declare that the said Certificate was
granted to me on the ground that I was _____ and that I am still
entitled to exemption for the same cause.

Signed _____

Witness _____

Address _____

Date _____

Quest. (a) A laundry employs a woman ironer who is married. Her husband receives good wages. What is the position of such person?

Ans. She can probably claim a certificate of exemption as being ordinarily and mainly dependent upon some other person. She need not claim such certificate. Whether she does or not does not affect the position of

her employer, who, in either case, has to pay the employer's share of the contribution.

As to the meaning of the word "dependent" the test would seem to be, "Does the employed person derive the funds spent upon her maintenance from another, apart from a contract of service?" It is to be noted that there is a legal presumption that a wife and child are dependent upon the husband or father, but such presumption may be rebutted.

The case given in the question should be distinguished from the case of an outworker who is mainly dependent upon her husband. Such a person is excepted, and consequently cannot come within the Act as compulsory contributor.

Quest. (b) A man's sister keeps house for him ; in return she receives board and lodging and a little pocket-money. Is she able to claim exemption ?

Ans. No. Here, although she is apparently mainly dependent on her brother, she, in fact, receives her board and lodging in payment for services rendered.

Quest. (c) Is a person who receives full wages when ill able to claim exemption ?

Ans. No. There are two reasons why he cannot come within Class I. In the first place, such payment during sickness would probably be regarded as an incident in the contract of service ; in the second place, the employee, to come within Class I., must be "ordinarily" and mainly dependent, etc.

Quest. (d) Is a domestic servant who is kept when ill and doctored free by her master excepted or able to claim exemption ?

Ans. Neither. It may be that in such cases the master can claim a reduction in his contribution. We shall deal with the question at length later. See Section V.

Quest. (e) Is a clerk who receives £140 a year as wages and has a private income of £30 a year excepted or can he claim exemption?

Ans. He is not excepted, since his rate of remuneration is not in excess of £160 a year. He can claim exemption, since he has a private income exceeding £26.

Quest. (f) Does income from house property which is mortgaged count as income in this connection?

Ans. Certainly. So long as the *net* income amounts to £26 per annum or upward.

Quest. (g) If a youth assists his father in business and in return is kept, is he excepted or can he claim exemption?

Ans. He is excepted.

Quest. (h) A employs a married woman to do housework three mornings a week. Can A claim a certificate of exemption?

Ans. No. The employer does not get the certificate of exemption, the employee does. In the case given the employee could claim exemption if ordinarily and mainly dependent upon her husband. The employer pays his share in any case.

Quest. (i) To whom and how does the employer pay contributions in respect of an exempted person?

Ans. Every exempted person will receive an exemption book. This the employee must produce, when entering the service of the employer, to the employer. It is then the duty of the employer to get an exemption card each time he pays the exempted person, and upon such card (obtainable at the Post Office) to affix his share of the contribution. For further details, see *infra*, Section VI.

Quest. (j) Person generally employed as a clerk acts also as the caretaker of a building, the use of which he is allowed rent free. Its rental value is in excess of £26 per annum. Is he exempt?

Ans. No. He has the use of it in return for services rendered.

Quest. (k) Do persons who fall within Class III, have to obtain certificates of exemption ?

Ans. No. It is doubtful how an employer discovers that such an employee is exempted unless the employee produces his birth certificate. Such a birth certificate may be obtained from a registrar of births and deaths for 6*d.*, instead of the usual 3*s.* 4*d.*, if the applicant presents a written requisition in the form prescribed by the L.G.B.

Quest. (l) How are the employer's contributions paid in such cases ?

Ans. By stamping an exemption card. See *infra*, Section VI., for particulars.

Quest. (m) A person is 65 on July 15th, 1912, and becomes employed on July 16th, 1912. What is his position ?

Ans. He must be insured. Both employer and employee must contribute in ordinary cases. For employee to be exempt he must :

(1) be *under* 65 on July 15th, 1912.

(2) have not been insured under the Act previous to his attaining the age of 65.

Quest. (n) A receives under £160 a year wages but has a small private income which makes his total income more than £160 a year. Is he excepted from compulsory insurance ?

Ans. No. In no case is he excepted, but if the private income amounts to £26 per annum he can claim exemption.

Quest. (o) Does an allowance from one's father count as private income ?

Ans. It is doubtful whether such a series of payments can be regarded as income, unless there is a legal liability to make the payment.

Quest. (p) A derives an income of £160 per annum from trust property. He is also employed as a bank clerk and receives £150 per annum as income ? Is he excepted or exempted or excluded ?

Ans. He is not excepted, since his rate of remuneration does not exceed £160 a year. Consequently he cannot be a voluntary contributor, and the question of exclusion does not therefore arise.

He can, of course, claim exemption if he likes.

Quest. (r) What is the position of a Commissionaire with a pension of £30 a year ?

Ans. He is within the Act, and can benefit by the Act. If, however, he does not want to pay his share of the contribution, he can claim exemption. His employer pays in any case.

SECTION V.—WHAT IS THE POSITION OF DOMESTIC SERVANTS
UNDER THE ACT?

DOMESTIC servants, whether married or single, whether receiving money wages or only board and lodging, will have to be insured under the Act.

Speaking generally, the payments and benefits are the same whether the servant is married or single, but there are some exceptional rules to be observed in the former case. We deal with these below.

What steps should the servant take to benefit by the Act?—

(1) The first thing to do is for her to *join a good Approved Society*. We deal with this matter at greater length in Section XII., *infra* ; for the present it is sufficient to point out that the society should be (1) large, (2) well administered, (3) suitable for domestic servants, (4) willing to receive domestic servants. A society specially formed for domestic servants should be chosen, it is suggested, in preference to others, since domestics as a class have good lives, and consequently a society composed exclusively of them would soon become very sound financially. The result would be increased benefits. Moreover, a society which catered especially for domestics would doubtless choose those benefits for distribution which are most useful to domestics as a class. Thus an approved society is entitled (subject to the consent of its members, etc.) to substitute a pension benefit for sickness and, or, disablement benefit. It may be that a healthy servant would prefer a definite pension benefit to a doubtful sickness benefit, if so she should see that the society she intends to join gives such an alternative. There is no immediate hurry about joining an approved society, since regulations issued by the Commissioners provide that insured persons may have until October 15th, 1912, before they need join an approved society.

After that date they must join an approved society or become deposit contributors. Deposit contributors are really not insured at all, and no one should become one if they can get any approved society to accept them. It is to be observed here that no approved society is entitled to refuse a person on account of *age* alone.

The advice we have given above to domestics to join societies specially formed for domestics is subject to an exception. If the servant has been a member of a Friendly Society in the past and that society has become approved, she should make it her approved society, since there are many benefits to be obtained by so doing.

The advantage of joining an approved society as soon as possible consists in this, that the member can get advice and help on this complicated Act from the society's officials.

(2) Having joined an approved society she will receive the contribution cards, etc., in due course. Since, however, this book will not reach the reader until after July 15th, contribution cards will already have been obtained either from the Post Office or the approved society. These contribution cards, when fully stamped, should be returned to the approved society. The servant will then receive an Insurance Book. As to the duties connected with this Insurance Book, see *infra*, Section VII.

(3) Whenever she is ill and in need of medical attendance, she is entitled to request any of the doctors on the list to give her medical advice.

(4) When so sick as to be unable to work she should obtain a doctor's certificate in the proper form to that effect, and this form together with a "declaring on" note (to be obtained from her approved society) should be sent to her approved society. She will then receive the appropriate weekly payment until she recovers or dies, however long she may be ill. When well enough to work she must (under heavy penalties) send in her "declaring off" note.

How is the servant insured?

The mistress stamps the contribution card with a 6d. National Health Insurance Stamp for each week in which the servant

is employed, or in the case of a manservant with a 7*d.* stamp. The master is responsible, but of course the mistress can undertake this domestic duty if she wishes.

The cards are to be stamped *when the wages are paid*. In the case of charwomen who come *regularly* these too must be insured, and the contribution paid by the *first employer each week*. Such employer must stamp the card when she pays the wage. If the charwoman has left her card behind the mistress must send to the Post Office for an emergency card and must stamp that. Do not pay the charwoman until the card is stamped or a fine of £10 will quite possibly be the result.

The value of the stamp to be put on the charwoman's card will depend on her rate of wages per working day. In reckoning the rate of wages the amount paid to her per day should be counted (say 2*s.* a day, for example) plus the food given her. In valuing the food it must be taken at its value *to the charwoman*. All other payments in kind will also have to be counted in. The result in the vast majority of cases will be that the charwoman will be found to be paid at a rate exceeding 2*s.* 6*d.* a working day. In that case a 6*d.* stamp should be affixed. If it is less than 2*s.* 6*d.*, see *infra*, Section VIII.

Besides these step-cleaners who come regularly, page boys (if over 16) living out, etc., may have to be insured. See Section I.

What happens if the mistress maintains the servant when ill?

In such a case it depends whether the servant can claim such treatment as a right (*i.e.* as part of her agreed wage), or whether it is mere charity. In the former case the Act makes no difference except that in such a case the master could notify the Commissioners that he pays full *wages* during sickness (if such is the case), and thereupon he may be permitted to reduce his weekly contribution to 4½*d.*, made up of himself 2½*d.*, his servant 2*d.* He thus would only gain ½*d.* a week, and would have to pledge himself to give six weeks' *full* wages during sickness in the year.

We repeat that if the master (for he is really the responsible person from a legal point of view in practically every case,

whether his wife has separate property or not) is under a legal liability to maintain his domestic servants when ill, the Act makes no difference to his position, he remains liable as heretofore, and the servant can receive sickness benefit, and he cannot charge the servant anything for maintaining her.

In nine cases out of ten, however, there is no such legal liability. The master keeps his servants when sick, simply out of humanity, and it is not probable that humanity will be very seriously altered by the Insurance Act. In this case, however, the employer is not *legally* bound to shelter his servant, he can simply turn her out (subject to a possible liability for a month's wages) so long as he does not endanger her life. If it is manifestly impossible to ask her to go without great danger, the master could keep her and charge the cost of lodging and attendance against her, at any rate to the extent of the sickness benefit the servant receives. It is not for us to point out that such a scheme would hardly be worthy of the average employer of domestic servants.

What is the position when the servant is out of employment?

The servant temporarily out of employment can pay the full contribution herself. If she does not do so she falls into arrears with her contributions. The result is that if she is in arrears more than three weeks a year on the average she will receive smaller benefits than she otherwise would. If she is in arrears for more than thirteen weeks a year on the average she loses all benefits but medical, sanatorium, and maternity. If for more than twenty-six weeks all benefits are lost.

She pays the contribution by doing what her employer would otherwise have to do, viz. affixing the proper insurance stamp to the ordinary contribution card. If, however, the servant has got into arrears and wishes to pay those arrears off then she must use an arrears card which may be obtained from her approved society. To this card should be affixed stamps in payment of all or any weekly contributions which are in arrear. The stamp or stamps in both cases must be cancelled by writing the date across the face of the stamp in ink.

It will be noticed that above we have used such expressions as

“thirteen weeks a year on the average”; this means that arrears are reckoned over a number of years. Thus, suppose a maid-servant keeps her situation for four years and is then out of employment for twelve weeks, then gets a place for two months and then is out of employment for three weeks, etc. Here five years are covered. In that time she is out of employment for fifteen weeks, assuming she pays no contributions when out of employment her arrears are three weeks a year on the average. In such a case she suffers no loss of benefits.

What is the position if the domestic servant (being a woman) is married or marries?

If she is married *before* the commencement of the Act she will be insured under the Act just as if she were unmarried. She will also obtain the same benefits as an unmarried person whether her husband is also insured or not, except that there is a slight difference in the case of maternity benefit.

If, having been an employed contributor, she marries *after* the commencement of the Act, her position is rather different.

There are obviously two alternatives:—

(1) After marriage she may continue to work for wages as heretofore. In this case her position is unaltered. She is an employed contributor and the fact that she is married makes practically no difference.

(2) After marriage she may cease to work for others and begin to look after her own home.

In this case she is not an employed contributor. Since, however, it would be unfair to make her pay her contributions while unmarried and, then, take all the benefits away from her when she marries because she ceases to be an employed contributor, she is permitted to contribute (though unemployed) as a married woman voluntary contributor paying 3*d.* a week. For this she gets the following benefits:—

(1) Medical treatment and medicines (or in special circumstances money payments instead) and

(2) Sick pay of 5*s.* a week for thirteen weeks and disablement pay of 3*s.* a week afterwards. Sick pay is not

given for the two weeks before and the four weeks after confinement.

See for further details, *infra*, Section XI.

If she does not pay this 3*d.* a week she may still receive from her approved society :—

5*s.* a week on confinement for not more than four weeks, and, if the society thinks fit, it may grant certain payments during any period of sickness and distress; both these benefits are limited if the amount standing to the servant's credit at the time of her marriage is insufficient to pay them.

DIVISION B, DUTIES AND RIGHTS.

SECT. VI.—WHAT ARE THE DUTIES AND RIGHTS OF THE EMPLOYER?

BEFORE we consider what are the duties imposed upon the employer it is necessary to point out that the word “employer” has a special meaning attached to it in certain cases by the Act.

In the ordinary case the employer is defined as the person who is responsible for the wages, and who has the ultimate power of telling the employee how he shall do his work. For the purposes of the Act that definition of employer requires some modification in the following cases :—

(1) Persons casually employed for the purposes of any game or recreation and engaged *or paid* through a club. The employer here is the club, though the person is paid by the person who engages him and is subject to his directions. Example—golf caddies.

(2) Owners who let out vehicles or vessels to persons under a contract of bailment for the purpose of plying for hire are regarded as the employers of such persons. Example—persons who hire cabs to cabbies are regarded as the employers of those cabbies although the contract is not really one of service at all.

(3) In the case of outworkers the person who gave out the articles or materials to be worked upon is regarded as the employer.

(4) In the case of persons employed in the private service of the Crown the head of the department of the Royal Household in which he is employed is his employer.

(5) Where there are several employers the employer for the purposes of this section is the first person to employ that

person in the week. "Week" means Sunday midnight to Sunday midnight.

(6) The Insurance Commissioners may provide by regulations that in any cases or any classes of cases where employed contributors work under the general control and management of some person other than their immediate employer, such as the owner, agent, or manager of a mine or quarry, or the occupier of a factory or workshop, such person shall, for the purposes of the provisions of Part I. of the Act relating to the payment of contributions and of Schedule III. (which deals with the payment and recovery of contributions by employers), be treated as the employer, and may provide for allowing him to deduct the amount of any contributions (other than employer's contributions) which he may become liable to pay from any sums payable by him to the immediate employer, and for enabling the immediate employer to recover from the employed contributors the like sums and in the like manner as if he were liable to pay the contributions.

A.—THE DUTIES OF THE EMPLOYER.

The employer has to decide whether his employees are compulsorily insurable or not, and what is the amount of the contribution payable in respect of them. These form the two most difficult tasks the employer has to perform.

Apart from the foregoing the employer has the following duties imposed upon him :—

I. To obtain the National Health Insurance Stamps. Obtainable from any Post Office.

II. To obtain the contribution card from the employee. If the employee cannot hand it over, then

III. To obtain an emergency card from the Post Office.

IV. To obtain an exemption card from the Post Office where he has to pay contributions in respect of an employee who is exempt. See *infra*, *Quest. I.*

V. To stamp the card with the proper stamp at or before the appropriate time. See *infra*, *Quest. II.*

VI. To cancel the stamp when affixed, see *infra*, *Quest. III.*

VII. To return the stamped card to the contributor at certain times and under certain circumstances, see *infra*, *Quest. IV.*

VIII. To produce the contribution card at any reasonable time to an Inspector or other authorised person when required so to do.

IX. To return the card if in his possession to the Insurance Commissioners on the death of the employee.

X. To return the card or insurance book of any insured person to the Insurance Commissioners on the termination of the employment of the employee if it is impossible to return it to such employee.

NOTE.—Refer to Division E to determine the amount of contribution payable in any particular case.

Failure to perform any of the above duties is punishable with a fine of £10.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. I. What is the position of an employer who employs a person who has obtained a certificate of exemption ?

Ans. In this case the exempted person receives an exemption book, this must be produced to the employer immediately it is received. The employer must then, immediately, obtain an exemption card from a Post Office for the period then current. When that period has passed he must obtain another exemption card and so on.

Week by week the employer must enter his name and address in the exemption book in the place provided in the book for such week. The book is then to be returned to the employee if he so requires, etc. (as in the case of an ordinary contribution card). See *infra*, *Quest. IV.*

Before any stamps are affixed to the exemption card the employer must enter in the proper place on the card the number of the exemption certificate, and the name of the employed person as contained in the exemption

book. The stamps are affixed in the case of ordinary cards.

In the case of a person who becomes employed after attaining the age of 65, and being under 65 at the commencement of the Act, such person is exempted from contributing, but his employer is not. Such person has no exemption book or certificate. The employer makes his contributions on an exemption card.

Every exemption card must be retained by the employer, and must not be given to the employed person at any time. Such card when the period of currency has expired must, after the employer has written his name and address therein, be forwarded to the Insurance Commissioners.

Quest. II. When must the card be stamped ?

Ans. The times for affixing the stamps are as follows :—

(a) Where money payment is made by the employer any time before the money payment is made. That is to say, if an employee is paid by the month the stamps need not be affixed week by week, but four stamps may be affixed when the employee is paid.

(b) Where no money payment is made by the employer, —on the first day of employment in each week. “Week” means Sunday midnight to Sunday midnight.

NOTE.—Stamps may be fixed in advance.

Quest. III. How is the stamp cancelled ?

Ans. (a) In the case of the ordinary contribution card by writing the date in ink over the stamp or by stamping the date over it with a metallic die, using indelible ink or composition.

(b) In the case of an emergency card he must also write the name of the employed contributor across the stamp.

(c) In the case of an exemption card as in (a).

Quest. IV. When must the contribution card be returned to the employee ?

Ans. (a) Within forty-eight hours after the employee has requested its production.

(b) Upon the termination of the employment.

(c) Upon the expiration of the period of currency of the card.

Quest. (a) The owner of a cab lets it out to A who plies for hire. Who pays the contribution, and when?

Ans. The cab-owner is the employer, and since he pays the cab-driver no wages, the contribution must be paid by him—the owner—on the first day in the week the cab is let out. That is to say, if the cab is let out on Tuesday, then the card must be stamped with the appropriate contribution on Tuesday.

Quest. (b) A, B, C, D, E, and F, each employ the same washer-woman who goes to their houses in irregular rotation. Who pays the contribution?

Ans. The first employer in each week. "Week" means Sunday midnight to Sunday midnight. The employers can, however, agree to share the contributions, *i.e.* they can agree that A pays one week, B the next, C the next, and so on.

Quest. (c) Is there anything upon the contribution card which reveals the age of the contributor or the Society or Trades Union of which he is a member?

Ans. No. In the case of persons over 65 it might, however, be necessary for the employee to produce a birth certificate.

Quest. (d) Can the stamp be cancelled with a rubber date stamp?

Ans. No. If a date stamp is used it must be metallic and the ink used indelible.

Quest. (e) In the case of domestic servants paid monthly must the stamp be affixed week by week?

Ans. No. The stamps may be affixed any time before the wages are paid.

Quest. (f) What happens in such a case if the contribution card expired before the month was up?

Ans. Let us suppose the card is good until October 13th, 1912, and that the month's wages were payable on October 1st, 1912. In this case, when October 13th arrives the employer must stamp the card with two weeks' contributions. This card is then exchanged for a new one. When November 1st, 1912, arrives the employer will stamp the new card with two weeks' contributions when paying the month's wages.

Quest. (g) Who is responsible for getting the contribution cards?

Ans. In the case of ordinary contribution cards, the employed person. In the case of emergency and exemption cards, the employer.

Quest. (h) If the Inspector requires production of a card who is responsible for its production?

Ans. The employer. If the card is not in his possession he must obtain it from the employee.

Quest. (i) When is an Inspector entitled to require production of the card?

Ans. At any reasonable time. The request may be made either in person or by writing.

Quest. (j) Is the Inspector entitled to enter a house?

Ans. No. He is only entitled to enter any premises or place *other than* a private dwelling-house not being a workshop.

Quest. (k) What information must, if required, be given to the Inspector and by whom ?

Ans. The occupier of the premises and any other person employing an employed contributor must supply all such information and produce for inspection all such registers, books, cards, and other documents as the Inspector may reasonably require.

Such information may also be required from the servants and agents of any such occupier and from any employed contributor.

Quest. (l) How does one ascertain whether a man who claims to be an Inspector is, in fact, one ?

Ans. Every Inspector will be furnished with the prescribed certificate of his appointment, and will have to produce this certificate to the occupier if so required.

Quest. (m) What is the liability if one conceals things from such Inspector ?

Ans. Fine not exceeding £5.

Quest. (n) Can an Inspector enter a lodging-house ?

Ans. No. It is a private dwelling-house.

Quest. (o) Who is entitled to the possession of the contribution cards ?

Ans. The employee. He must, however, give it up for the purpose of being stamped at all reasonable times. The employer may keep it if it is so agreed. In such a case the employee may demand it back upon giving forty-hours' notice, and also when he leaves the employer's service.

Quest. (p) Can the employer and employee agree that the employer's contribution shall also be deducted from the wages ?

Ans. No. Such an agreement would not be binding, and the employee could at any time recover by legal proceedings the amounts thus wrongfully deducted.

Quest. (r) Are any contributions payable during unemployment, and if so by whom?

Ans. By the employee if he so desires. The old employer has, of course, no duties.

Quest. (s) A employs a lad a few hours weekly in the garden. The lad is regularly employed by X. Who is responsible for the payments?

Ans. The person who employs him first in any week.

Quest. (t) In the case above mentioned X is the lad's father who pays him no wages but keeps him.

Ans. A pays, since the lad, as regards his service to his father, comes within exception (4). Section III., *supra*.

Quest. (u) What is the employer's position if the employed refuses to contribute?

Ans. No such difficulty can arise; the employer just deducts the contribution from the wages.

Quest. (v) On a certain farm the field work is done by gangs working under licensed "gangers." The farmer agrees with the ganger for the work to be done at so much an acre. The ganger pays the hands when the farmer pays him. Who is the employer for the purposes of the Act?

Ans. *Primâ facie* the ganger is a sub-contractor, and therefore the employer of the men under him. If, however, the farmer has the power to tell the men what they shall do and *how* they shall do it he is the employer; but even in this case Regulations of the Insurance Commission may provide for the person having the general control of the workers, *i.e.* the ganger, to be regarded as the employer. See Schedule III. (6). But this has a limited application.

Quest. (w) Who is the employer of a domestic servant?

Ans. Apart from Regulations which might be issued under Schedule III. (6), see *supra*, the master of the

house if there is one, otherwise the mistress. Where there is a servants' hall with a housekeeper the master of the house is still the employer for the purposes of the Act.

Quest. (x) Can the employer delegate his duties ?

Ans. He can agree with any one that they shall affix the stamps, etc., but he will be liable for any penalty incurred in consequence of such person failing to perform the various duties properly.

Quest. (y) An employer of a domestic servant pays full wages and boards such servant when sick. Is he compelled to continue to do so after the Act comes into force ?

Ans. The Act makes no difference to ordinary private contracts. Such employer will, therefore, have to pay full wages if that is a term in the contract of service. If, however, it is simply kindness and is not legally binding, there is no obligation to continue such payment.

If such payments are made as part of the contract of service, the employer is excused a certain part of his contributions in certain cases. See below, Section XXIV.

Quest. (z) Is the employer entitled to send the stamped cards to any Approved Society he likes. Can the employer influence the servant's choice of Approved Society ?

Ans. The employer must always hand the card to the employee when its period of currency has expired. The employer is not entitled to use any pressure to force his servant to join any particular Approved Society.

Quest. (1°) How is the contribution paid when the master and mistress go away for a long holiday taking some servants with them part of the time and leaving some behind ?

Ans. Two alternatives : (1) Authorise one of the servants to purchase and affix the stamps for herself and her fellow-servants. The objection to this is that the

employer is liable if the servant so authorised fails to do what she is told.

(2) Affix the stamps in advance.

Quest. (2°) Can a master get rid of his duties under the Act by paying his servant so much a week extra more to do the stamp fixing, etc., himself?

Ans. No. The master remains liable. But, of course, if the servant contracted to do the work and failed to do it, that is a breach of contract. Unfortunately it is not much good having the right to bring an action against a man of straw.

Quest. (3°) Must the employee hand the *emergency* card on to the employer?

Ans. Yes.

Quest. (4°) What happens if the employee refuses to hand such emergency card over?

Ans. The master must get another one. It is to be observed that the employee is liable to a fine of £10 if he refuses (although able) to hand over the card.

Quest. (5°) Is there any way of punishing an employee who continually fails to produce his contribution card and so forces his employer to go to the trouble of getting emergency cards?

Ans. Yes. There is no direct penalty attached if the failure to produce is due to a reasonable cause, and the fact that he has lost it would be regarded as a reasonable cause, however careless the employee. If the failure is intentional, fine of £10.

Apart from this, employers can discourage such carelessness in the usual way, and approved societies can also discourage the use of emergency cards—and consequently the carelessness which makes them necessary—by imposing a fine for every emergency card surrendered by a member. It is desirable from every point of view that they should exercise this power.

B.—WHAT ARE THE RIGHTS OF THE EMPLOYER ?

The chief rights of the employer under the Act are as follows :—

I. To deduct the employee's contribution from the employee's wage.

II. Where no money wage is paid, to recover such share of the contribution by action or otherwise. Such proceedings must be commenced within three months.

If, however, the employee receives no money payment either from the employer contributing *or from any other person*, no contributions paid are recoverable in any way.

III. To obtain production of the card from the employee at any reasonable time for the purpose of stamping.

IV. To obtain deduction of contributions on the ground that he pays full remuneration during periods of disease or disablements. See *infra*, Section XXIV.

NOTE.—The employer is not exempted in any way from his liability under the Workmen's Compensation Act, 1906, or the Employers' Liability Act, 1880. Indeed, his position is slightly worse, since the approved societies are empowered to bring action on the insured person's behalf. They are also empowered to force the insured person to take proceedings by reducing his benefits if he does not.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. (a) Can the employer recover contributions if he has failed to deduct it from the wage ?

Ans. No. The Act says he must recover by "deductions from the wages . . . and *not otherwise*."

Quest. (b) Can he deduct such a contribution from wages paid subsequently ?

Ans. No. The deduction may only be made from wages paid in respect of the period for which the contribution was payable.

Quest. (c) Can the employer deduct his, the employer's, contributions ?

Ans. No. Any agreement to the contrary is void, and the servant can recover such deductions at any time as a civil debt.

Quest. (d) What is the position if an employer has promised to raise his servant's wages but revokes such promise owing to the Insurance Act ?

Ans. If the promise amounts to a binding contract, the master cannot revoke. If he stops the rise in consequence of the Act, the servant can recover all the amounts so stopped at any time.

Quest. (e) A has employed a charwoman at 2s. 6d. a day every Monday. Owing to the Act she reduces this to 2s. Can she do so ?

Ans. No. The employer in a normal case is entitled to deduct 3d. a week. In the case given, since presumably there is more than one employer, the first person (A) pays and deducts. She deducts 3d. and pays as wages 2s. 3d. She pays as contribution 6d.

Quest. (f) A step-cleaner goes the round of six employers, the first one to employ her gives her no money but pays her in kind. Some of the others pay her money. How does the employer contributing recover ?

Ans. Since the employee receives a money wage from some one, the contributions due from her can be recovered by the first employer (who, of course, is the one to contribute) by civil process, if the employee refuses to hand over her share.

Quest. (g) Can the servant recover from the employer, in any way under the Truck Acts or otherwise, the contribution deducted from his wages ?

Ans. Certainly not. It is perfectly surprising how many people want to get the advantages under the Act

without paying for them. This question, the answer to which is apparently self-evident, has been asked time after time. The employer is fined if he does not pay, and he is expressly empowered to deduct the employee's share from the employee's wages.

The employed person should suffer this deduction with a very good grace, in view of the many and great advantages he obtains under the Act. It is the employer who has a grievance if any one has.

Quest. (h) A waiter is paid no wages but relies on his tips. How does the employer recover?

Ans. Since he is paid money by persons other than his employer (*i.e.* by the persons who tip him), his employer can recover the employee's share of the contributions as a civil debt.

SECTION VII.—WHAT ARE THE DUTIES OF THE INSURED?

WE must consider three kinds of insured persons.

- I. Ordinary employed contributor in employment.
- II. Employed contributor out of employment.
- III. Voluntary contributor.

As to I.—*Ordinary employed contributor in employment.*

The duties of such a person are as follows:—

(1) To obtain a contribution card. As to details, see *Quest.* (I.), *infra*.

(2) To deliver up the contribution card to the employer when reasonably required.

No penalty attaches if he fails to perform this duty if there is a reasonable cause for such failure.

(3) To produce his card to his approved society (or in the case of a deposit contributor, to the postmaster or the Insurance Committee) when claiming benefits.

(4) To surrender his card to his approved society, etc.

(a) upon joining an approved society;

(b) upon transferring from one approved society or branch to another approved society or branch;

(c) upon ceasing to be a member of an approved society;

(d) upon changing his place of residence from one part of the United Kingdom to another;

(e) upon the card becoming defaced in any unauthorised manner;

(f) within *fourteen days* after the expiration of the period of currency of the card;

(g) upon becoming a voluntary contributor; and

(h) in the case of a woman who before marriage was an insured person, upon ceasing on or after marriage to be employed.

This note does not apply when the contributor is under 21 years of age, or when he receives, as part of his remuneration, board and lodging.

(6) To produce, deposit or surrender his *Insurance Book* in certain cases (see *infra*, *Quests.* (a) (b) (c) (d) (e)).

(7) To apply to his approved society (or the Insurance Committee if he has no approved society) for a new insurance book if he loses the one he has issued to him.

(8) Not to sell, pledge, transfer or change any contribution card or insurance book.

(9) To answer all proper questions put to him by an Inspector appointed under the Act, and, if so required, to sign a declaration of the truth of the answers given by him.

QUESTIONS WITH ANSWERS ILLUSTRATING THE ABOVE.

Quest. (I.) How does one obtain a contribution card, and what different kinds of cards are there?

Ans. If a member of an approved society from the approved society; if a Post Office contributor from the nearest, or any post office.

The varieties of cards which may be required are :—

(a) Employed persons—

(i) Male.

(ii) Female.

(iii) an Emergency card (see *supra*) for the use of an employer when the contributor does not produce a card.*

(b) Voluntary contributors :—

Persons under 45 who enter into	}	
insurance within six months		(i) At 7 <i>d.</i> (male).
after the commencement of		(ii) At 6 <i>d.</i> (female).
the Act		

* A further card will also be necessary for the collection of employers' contributions in respect of (a) persons who under the Act are entitled to certificates of exemption, and to whom such certificates have been granted, and (b) persons who are not insured by reason of the fact that, not having previously been insured persons they became employed after attaining the age of sixty-five. These are called exemption cards.

Persons of 45 and upwards who enter into insurance within six months after the commencement of the Act . . .	(iii)	Special scale rates (males).
	(iv)	Special scale rates (female).
Persons who enter into insurance after the first six months	(v)	Ordinary scale rates (male).
	(vi)	Ordinary scale rates (female).
Married women voluntary contributors	(vii)	Rate 3 <i>d</i> .

In addition an arrears card for the payment of arrears of contributions may be necessary in the case of both employed and voluntary contributors.

Of the above cards the employer is responsible for obtaining the emergency and exemption cards.

Quest. (II.) Suppose a person is not a member of an approved society at the commencement of the Act he has to obtain his card from the P.O. Does that make him a P.O. depositor, or can he afterwards join an approved society and send in the card in due course to the approved society ?

Ans. The fact that he obtains his card from the Post Office does not make him a Post Office contributor. He has got until October 15th, 1912, before he must join an approved society. If he does not join before then he will of necessity become a Post Office contributor. Later, of course, he can transfer from the Post Office fund to an approved society.

Quest. (a) What is an Insurance Book, and what is its purpose ?

Ans. It is a book in which is recorded the name and address, nationality, and occupation of contributor, together with a record of the contributions paid and certain other information. Its purpose is to inform the approved society, etc., and the contributor of the latter's exact position.

Quest. (b) How is it obtained ?

Ans. It will be issued to the contributor if a member of an approved society when such society issues the first contribution card to such member. If a deposit contributor when he returns his first contribution card to the proper authority.

Quest. (c) When must it be *produced*, and to whom ?

Ans. He must produce it :

- (a) When making claim for maternity benefit.
- (b) When its period of currency has expired.
- (c) When it is so defaced as to be useless.

In the above case he produces it to the approved society if he is a member of one, otherwise to the Insurance Committee of his county.

(d) To the postmaster when making application for a new card.

(e) Generally: he is required to produce it at all reasonable times when required to do so by:—

- (a) his approved society
- (b) the Insurance Committee
- (c) the postmaster
- (d) the Inspector.

Quest. (d) With whom and when must he *deposit* his insurance book ?

Ans. With his approved society or Insurance Committee, as the case may require—

- (a) when giving notice of disease and disablement
- (b) when surrendering his contribution card
- (c) when specially required so to do.

Quest. (e) When and to whom must he *surrender* his insurance book ?

Ans. He must surrender it to his approved society when transferring from such society to a new one, or when becoming a deposit contributor.

He must surrender it to the Insurance Committee of his county when ceasing to be a deposit contributor.

He must surrender his book if he is merely transferring from one branch to another of the same society.

Quest. (f) What has to be done with the card when it is fully stamped ?

Ans. It must be signed and sent to the approved society of which contributor is a member, or if he is a deposit contributor to the postmaster of the post office at which he deposits. Note here the note to Duty (4), *supra*.

Quest. (g) Is a domestic servant bound to let her mistress deduct her (the servant's) share of the contribution from her wages ?

Ans. Yes. The mistress cannot be forced to pay the whole contribution either by giving notice or otherwise. It would be of little advantage to give notice since there would not be much chance of getting a fresh place where the servants' contributions were paid out of the employer's pocket. Servants should appreciate this fact.

As to II.—*Employed contributor out of employment.*

Since such a person has no employer to act for him he will have to do most of the things which his employer ordinarily has to do for him, *e.g.* procure stamps, affix, pay full contribution, cancel stamps, etc. See *supra*, Section VI.

QUESTIONS WITH ANSWERS.

Quest. (1) What is the purpose of paying contributions while unemployed ?

Ans. To avoid falling into arrears. A person who allows himself to miss four weekly contributions a year on an average receives reduced benefits. For further details, see Section XI., *Quest. 26, infra*.

Quest. (2) What happens if the contributor is unable to write ?

Ans. Apparently he would be entitled (as a voluntary contributor certainly is) to deliver the card to the postmaster from whom he buys the stamps for the purpose of having the stamp cancelled with the official date stamp.

Quest. (3) Since he is receiving no remuneration, being out of employment, on what basis does he calculate his earnings ?

Ans. On his average earnings when previously in employment. No period, over which the average is to be taken, has been fixed.

Quest. (4) Does he have to pay the employer's share when unemployed ?

Ans. Yes.

Quest. (5) If one has fallen into arrears, can those arrears be made up ?

Ans. Yes. In such a case the contributor must :

(1) Apply to his approved society for an arrears card.

(2) Affix stamps in payment of any weekly contributions payable by him.

(3) Cancel the stamp by writing the date across it in ink.

(If he cannot write he may ask the postmaster to cancel it for him.)

(4) Surrender the card to his approved society.

The arrears will then be deemed to have been paid.

Quest. (6) Can he pay some arrears without paying all ?

Ans. Certainly.

Quest. (7) If in employment, can he force his master to pay any part of these arrears ?

Ans. No.

As to III.—*Voluntary contributor.*

These persons, for the purposes of the Act, have no employers, consequently their duties are roughly those ordinarily owed by the employer and the employee. If unable to write legibly he is entitled to have his stamp cancelled by the postmaster from whom he buys the stamp.

The following points should also be noted :—

I. The contribution is payable on the first day of each week, *i.e.* Monday.

II. If incapable of work on that day through some disease or disablement of which notice has been given, the contribution is payable on the first day of that week after the termination of the incapacity.

III. If incapacitated for a period spread over two weeks, and amounting to more than six days no contribution is payable in respect of the second week.

IV. In the case of a deposit contributor, application is to be made to the Insurance Committee for a contribution card, not to the postmaster.

V. The card must be surrendered *seven* days after the expiration of the card's currency instead of after fourteen days.

It is to be delivered up to the approved society or postmaster, as the case may be.

VI. Where a card has been issued to a voluntary contributor no further card will be issued except—

(a) Upon its surrender.

(b) Upon a declaration of its loss or surrender. We give two forms of application for new cards. I. Applies where the voluntary contributor is a member of an approved society ; II. where he is a deposit contributor.

NATIONAL INSURANCE

I

Application to an APPROVED SOCIETY for the issue of a new contribution card to replace a card previously issued.

I (*insert name*) _____ (Contributor's No. _____)
of (*insert address*) _____
hereby declare that—

Strike out
the lines
not
applicable. {

- (a.) The contribution card issued to me for the current quarter has been lost (or destroyed) (or damaged) (or defaced).
- (b.) I have ceased to be a voluntary contributor, and am or am about to become an employed contributor.
- (c.) I have changed my employer.
- (d.) I have surrendered my card to (*insert name of Society or Post Office*) _____
- (e.) I have changed my place of residence from _____ to the above address.

and I hereby apply for the issue to me of a new card.

Signature of Applicant _____

Date _____ 191—

NOTE.—When making this application, the applicant must surrender the old card if it is still in his possession.

II

EMPLOYED CONTRIBUTOR.

[*This form may be used by a Voluntary Contributor who is not a member of an Approved Society, but the Postmaster must in this case send the application to the proper Insurance Committee without issuing a card.*]

Application for the issue of a new Contribution Card to replace a card previously issued.

I (*insert name*) _____
of (*insert address*) _____
hereby declare that—

Strike out
the
words
or lines
not
applicable
to the
case. {

- (1) I am an Employed Contributor;
- (2) I have ceased to be a voluntary contributor, and am or am about to become an employed contributor;
- (3) I have surrendered to my Society the contribution card previously issued to me, and am unable to obtain a new card from my Society before the next contribution in respect of me becomes payable;
- (4) the contribution card issued to me for the current quarter has been *lost, destroyed, damaged, defaced*;
- (5) I have changed my employer;
- (6) I have surrendered my contribution card for the current quarter to (*insert name of Society or Post Office*) _____
 - (a) upon ceasing to be a member of that Society;
 - (b) upon changing my place of residence from _____ to the above address;

and I hereby apply for the issue to me of a new card.

Signature of Applicant _____

Date _____ 191—

VII. He must produce his card whenever required so to do by his approved society, or, in the case of a deposit contributor, by the Insurance Committee.

The penalty attached to the breaches of these duties is in general a fine of £10. For fuller details, see below, Section XXIII.

DIVISION C, CONTRIBUTIONS

SECTION VIII.—WHAT CONTRIBUTIONS ARE PAYABLE IN THE CASE OF THE ORDINARY EMPLOYED CONTRIBUTOR?

THE employed rate in England is as follows:—

In the case of men	.	.	.	7 <i>d.</i> a week.
„ „ of women	.	.	.	6 <i>d.</i> „

Contributions by Employers and Employed Contributors.

To be paid by the employer	.	.	.	3 <i>d.</i> a week.
„ „ contributor	.	.	.	<div style="display: inline-block; vertical-align: middle;"> <div style="font-size: 2em; vertical-align: middle; margin-right: 5px;">{</div> <div style="display: inline-block; vertical-align: middle;"> Men, 4<i>d.</i> „ Women, 3<i>d.</i> „ </div> </div>

In the case of employed contributors of either sex of the age of 21 or upwards whose remuneration does not include the provision of board and lodging by their employer, *and the rate of whose remuneration does not exceed 2s. 6*d.* a working day*, the following shall be the rates of contribution:—

Where the rate of remuneration does not exceed 1*s.* 6*d.* a working day—

				A week.
To be paid by the employer	.	.	.	<div style="display: inline-block; vertical-align: middle;"> <div style="font-size: 2em; vertical-align: middle; margin-right: 5px;">{</div> <div style="display: inline-block; vertical-align: middle;"> For men, 6<i>d.</i> „ women, 5<i>d.</i> </div> </div>
„ out of moneys provided by Parliament				1 <i>d.</i>

Where the rate of remuneration exceeds 1*s.* 6*d.* but does not exceed 2*s.* a working day—

				A week.
To be paid by the employer	.	.	.	<div style="display: inline-block; vertical-align: middle;"> <div style="font-size: 2em; vertical-align: middle; margin-right: 5px;">{</div> <div style="display: inline-block; vertical-align: middle;"> For men, 5<i>d.</i> „ women, 4<i>d.</i> </div> </div>
„ „ contributor				1 <i>d.</i>
„ out of moneys provided by Parliament				1 <i>d.</i>

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Where the rate of remuneration exceeds 2s. but does not exceed 2s. 6d. a working day—

To be paid by the employer .	.	{	For men,	4d.
			„ women,	3d.
„ „ contributor .	.	.	.	3d.

In Ireland.

In the case of men	5½d.	a week.
„ „ women	4½d.	„

Contributions by Employers and Employed Contributors.

To be paid by the employer . . .	2½d.	a week.
„ „ contributor {	Men, 3d.	„
	Women, 2d.	„

In the case of employed contributors of either sex of the age of 21 or upwards whose remuneration does not include the provision of board and lodging by their employer, and the rate of whose remuneration does not exceed 2s. 6d. a working day, the following shall be the rates of contribution :—

Where the rate of remuneration does not exceed 1s. 6d. a working day—

		A week.
To be paid by the employer . . .	{	For men, 4½d.
		„ women, 3½d.
„ out of moneys provided by Parliament		1d.

Where the rate of remuneration exceeds 1s. 6d. but does not exceed 2s. a working day—

		A week.
To be paid by the employer . . .	{	For men . 4d.
		„ women . 3d.
„ „ by the contributor . . . .	.	½d.
„ „ out of moneys provided by Parlia- ment . . . . .	.	1d.

When the rate of remuneration exceeds 2s. but does not exceed 2s. 6*d.* a working day—

To be paid by the employer	.	{	For men	.	3½ <i>d.</i>
			For women	.	2½ <i>d.</i>
„ „ „ contributor	.	.	.	.	2 <i>d.</i>

To all these contributions the State adds an extra 2*d.* a week.

Where the employer pays full wages during sickness and he gives the Insurance Commissioners notice and the Insurance Commissioners have decided that a custom prevails in the trade to give such remuneration, and the person employed does not receive a remuneration less than 10s. a week, it is possible for the employer to reduce his contribution by one penny (or, where the employed contributor is a woman, by one halfpenny), and his employee's contribution by one penny. *I.e.* the stamp affixed will be 2*d.* or 1½*d.* less, as the case may be, than in the corresponding case of the employer who does not pay full wages during sickness. Many householders might come within this clause. For further details, see *infra*, Section XXIV.

The contribution to be paid in respect of persons under age is always the same whatever their wage may be, viz. (in England) 7*d.* in the case of a youth; 6*d.* in the case of a girl. If, however, the employer pays full wages during sickness, etc., the contributions become 5*d.* and 4½*d.* respectively.

Contributions cease to be payable in respect of an employed contributor when he attains the age of 70.

If the employee has obtained a certificate of exemption or is otherwise exempted (see above, Section IV.) the employer, to determine the amount of his contribution, should calculate the full contribution as though the employee was not exempt, and from the amount so found should deduct the employee's ordinary share and the amount to be paid out of moneys provided by Parliament (if any).

NOTE.—It is to be remembered that to the above contributions, in the case of trades to which unemployment insurance

applies, must be added the unemployment insurance rate. These are as follows :—

I. Workmen eighteen years of age or over—

(a) Engaged whole week or part week, being more than two days—Employer $2\frac{1}{2}d.$, employee $2\frac{1}{2}d.$

(b) Engaged for more than one day but not more than two days—Employer $2d.$, employee $2d.$

(c) Engaged for one day or less—Employer $1d.$, employee, $1d.$

II. Workmen below eighteen years of age—Employer $1d.$, employee $1d.$, in all cases.

FURTHER NOTE.—There is no difference, as regards the amount of contributions payable, between deposit contributors and others.

If a person is unable to determine what contribution is payable in respect of any of his employees, he is entitled to submit the question to the Insurance Commissioners for their decision. Appeal lies at the suit of any interested person from the Insurance Commissioners to the County Court and from thence to the High Court. The question must be submitted on Form X. 9 (to be obtained from the Insurance Commissioners), which is as follows :—

FORM X. 9.

PARTICULARS TO BE SUPPLIED BY INTERESTED PARTY.

Full name and address of person making Statement:—

I am interested in the determination of the question raised by the application of which a copy is annexed, as follows:—

I agree with the particulars stated by the applicant, except as regards the following points:—

(1)

(2)

(3)

I have the following further statement to make:—

I declare that the information given by me above is to the best of my knowledge and belief correct:—

Signed (Name) _____

(Address) _____

(Date) _____

COPY OF APPLICATION.

EMPLOYER'S NAME _____

Address _____

EMPLOYEE'S NAME _____

Home Address _____

Occupation _____

Age _____

Number of days worked ordinarily per week.

Number of hours worked ordinarily per week.

Cash wages received by the employee in the week for which the question is raised.

Number of hours worked during that week.

The statement overleaf as to "Allowances" should also be filled up unless the Employee receives both board and lodging as part of the remuneration. Where this is the case it should be so stated in the space below.

Does the Employee receive both board and lodging as part of the remuneration?

	Particulars.	Estimated money value for the week in question.		
		£	s.	d.
"ALLOWANCES" RECEIVED IN ADDITION TO MONEY— Meals (mention number per day). Lodging. Cottage (state full yearly rent which it is worth for letting purposes). Wearing Apparel. Fuel (give quantity) Light („ „). Vegetables („ „). Milk („ „). Set out in detail any other "allowances."	(a)			
TOTAL				

(b)

(c)

DECLARATION.

I declare that the above particulars given with a view to the determination by the Insurance Commissioners under Section 66 (1) (c) of the National Insurance Act, 1911, of the question whether (*set out as briefly and as clearly as possible the question raised*).

are to the best of my knowledge and belief correct.

Signed (Name) _____

(Address) _____

(Date) _____

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) How does the employer find out what the remuneration of his employee is?

Ans. He is not concerned to know. He has merely to know what the *rate* of remuneration which *he* pays that employee is.

Quest. (b) What is a working day?

Ans. The matter is, at present, doubtful. It would appear, however, that the custom of the trade in that locality should be considered.

Thus, take the case of a labourer who earns 14s. a week and works $5\frac{1}{2}$ days a week, Saturday being a half holiday. Is Saturday a "day" or half a day? We suggest it is half a day if it is customary in the particular locality for that type of person to receive a half day's holiday on Saturday, a whole day if it is not customary. This is, however, mere opinion.

As to the length of the working day. That again, we suggest, depends on custom. If it is the custom in a neighbourhood for carpenters to work $9\frac{1}{2}$ hours a day and $4\frac{1}{2}$ hours on Saturday, we suggest a $51\frac{1}{2}$ -hour week counts as 5 working days, a $52\frac{1}{2}$ -hour week counts as 6 working days, and so on up to $9\frac{1}{2} \times 6 = 57$; $57\frac{1}{2}$ counts as 7 working days, etc., for the purpose of calculating the rate of remuneration per working day.

Quest. (c) What is the rate of remuneration per working day in the case of outworkers paid by the piece? The employer has not the least idea how much time the employee has worked.

Ans. At the present moment it is impossible to deal adequately with this question. The Insurance Commissioners have the power to issue regulations dealing specially with cases of outworkers. At present no such regulations are available. Persons interested should notify Wyman & Sons, Ltd., of Fetter Lane, E.C., that they want a copy of the Outworkers' Regulations under the N.H.I. Act when issued.

In the meantime perhaps the calculation should be made as follows :—

A. Reckon how much due to outworkers in respect of current week.

B. Divide such amount by 6.

This gives rate of remuneration per working day. The calculation then proceeds in the ordinary manner.

Quest. (d) What is the meaning of “board and lodging” ?

Ans. Apparently suitable bed accommodation together with *all* meals.

Quest. (e) A employs a charwoman on Monday. She gives her 2s. for the day and her dinner. What is the rate of remuneration per working day ?

Ans. 2s. plus the value of the dinner to the charwoman.

Quest. (f) When reckoning the value of payment in kind, do you count its value to the employer or the employee ?

Ans. The employee.

Quest. (g) Have gifts of food, clothing, etc., to be counted in ?

Ans. No. Gifts don't count. The question is : Is the employee *entitled* to the particular payment in kind as part of the contract of service ? If so count it in. If not don't count it.

Quest. (h) How does an employer know whether an employee is 21 or not ?

Ans. He would be quite safe in accepting the employee's statement on the subject. He could, we believe, insist on the production of a birth certificate for the purpose of ascertaining definitely.

Such birth certificates can be obtained for 6d. upon filling up the proper requisition form. Such form may be obtained from any registrar of births and deaths. It is,

of course, the duty of the employee to obtain the birth certificate.

Quest. (i) A employs a charwoman three days a week, and pays her 7s. 6d. per week. What is the contribution?

Ans. Normal rate of remuneration per working day is 7s. 6d. divided by three = 2s. 6d. Therefore contribution = 6d.

Quest. (j) What happens in the case of trades where wages fluctuate?

Ans. The calculation is to be made week by week. The average earnings over a series of weeks cannot be counted.

If the trade is a seasonal trade and the fluctuation is in regular periods the position is somewhat different, as the Commissioners intend to issue tables of varying rates in such cases. These tables are not, however, issued as yet.

Quest. (k) What contribution is payable in respect of a youth of 19 who gets 7s. 6d. a week as an apprentice?

Ans. The full 7d. a week, since he is under 21.

Quest. (l) What contributions are payable in respect of aliens?

Ans. The same as if they were British subjects.

SECTION IX.—WHAT CONTRIBUTIONS ARE PAYABLE IN THE
CASE OF THE VOLUNTARY CONTRIBUTOR ?

I. IN the case of a person who enters into insurance within six months after the commencement of the Act, the voluntary rate will, *if he is below the age of 45* at the date of entering into insurance, be the same as the employed rate.

II. In the case of a person, having been an employed contributor for five years or upwards, who becomes a voluntary contributor, the rate of contribution payable by him will continue to be the employed rate.

III. A married woman who becomes a voluntary contributor pays 3*d.* a week.

NOTE.—A married woman is only permitted to become a voluntary contributor in a certain exceptional case. As to this see, for further details, Section XIV., *infra*.

IV. In the case of a widow. In some cases she is liable for the ordinary voluntary contributions, in other cases for the same contributions as in case III. See *infra*, *Quest.* (1).

Apart from the above the weekly contributions depend to some extent upon whether the voluntary contributor enters into insurance *before* or *after* (or *on*) the 15th January, 1913. It also depends on age and sex.

The following *Table A.* applies if a male enters into insurance *before* the above date ; *Table B.* where he enters *on or after* that date :—

TABLE A.
ENGLAND, SCOTLAND, AND WALES.
Male Voluntary Contributors.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
45 and under 46	...			0 9	55 and under 56	...			1 0½
46	„	47	...	0 9	56	„	57	...	1 1
47	„	48	...	0 9½	57	„	58	...	1 1½
48	„	49	...	0 10	58	„	59	...	1 2
49	„	50	...	0 10	59	„	60	...	1 2½
50	„	51	...	0 10½	60	„	61	...	1 2½
51	„	52	...	0 10½	61	„	62	...	1 3
52	„	53	...	0 11	62	„	63	...	1 3½
53	„	54	...	0 11½	63	„	64	...	1 3½
54	„	55	...	1 0	64	„	65	...	1 3½

IRELAND.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
45 and under 46	...			0 7	55 and under 56	...			0 10½
46	„	47	...	0 7	56	„	57	...	0 10½
47	„	48	...	0 7½	57	„	58	...	0 11
48	„	49	...	0 8	58	„	59	...	0 11½
49	„	50	...	0 8	59	„	60	...	1 0
50	„	51	...	0 8½	60	„	61	...	1 0
51	„	52	...	0 8½	61	„	62	...	1 0½
52	„	53	...	0 9	62	„	63	...	1 0½
53	„	54	...	0 9½	63	„	64	...	1 0½
54	„	55	...	0 10	64	„	65	...	1 0½

TABLE B.
ENGLAND, SCOTLAND, AND WALES.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
16 and under 17	...			0 7	28 and under 29	...			0 8
17	„	18	...	0 7	29	„	30	...	0 8
18	„	19	...	0 7½					
19	„	20	...	0 7½	30	„	31	...	0 8
					31	„	32	...	0 8½
					32	„	33	...	0 8½
20	„	21	...	0 7½	33	„	34	...	0 8½
21	„	22	...	0 7½	34	„	35	...	0 8½
22	„	23	...	0 7½					
23	„	24	...	0 7½	35	„	36	...	0 9
24	„	25	...	0 7½	36	„	37	...	0 9
					37	„	38	...	0 9
25	„	26	...	0 8	38	„	39	...	0 9½
26	„	27	...	0 8	39	„	40	...	0 9½
27	„	28	...	0 8	40	„	41	...	0 9½

ENGLAND, SCOTLAND, AND WALES—*continued.*

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
41 and under 42	...			0 9½	53 and under 54	...			1 1
42	„	43	...	0 10	54	„	55	...	1 1½
43	„	44	...	0 10					
44	„	45	...	0 10½	55	„	56	...	1 2
					56	„	57	...	1 2½
45	„	46	...	0 10½	57	„	58	...	1 3
46	„	47	...	0 11	58	„	59	...	1 3½
47	„	48	...	0 11	59	„	60	...	1 4
48	„	49	...	0 11½					
49	„	50	...	0 11½	60	„	61	...	1 4½
					61	„	62	...	1 4½
50	„	51	...	1 0	62	„	63	...	1 5
51	„	52	...	1 0½	63	„	64	...	1 5
52	„	53	...	1 0½	64	„	65	...	1 5

IRELAND.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
16 and under 17	...			0 5½	40 and under 41	...			0 7½
17	„	18	...	0 5½	41	„	42	...	0 8
18	„	19	...	0 6	42	„	43	...	0 8
19	„	20	...	0 6	43	„	44	...	0 8
					44	„	45	...	0 8½
20	„	21	...	0 6	45	„	46	...	0 8½
21	„	22	...	0 6	46	„	47	...	0 9
22	„	23	...	0 6	47	„	48	...	0 9
23	„	24	...	0 6	48	„	49	...	0 9½
24	„	25	...	0 6	49	„	50	...	0 9½
25	„	26	...	0 6	50	„	51	...	0 10
26	„	27	...	0 6½	51	„	52	...	0 10½
27	„	28	...	0 6½	52	„	53	...	0 10½
28	„	29	...	0 6½	53	„	54	...	0 11
29	„	30	...	0 6½	54	„	55	...	0 11½
30	„	31	...	0 6½	55	„	56	...	1 0
31	„	32	...	0 6½	56	„	57	...	1 0
32	„	33	...	0 6½	57	„	58	...	1 0½
33	„	34	...	0 7	58	„	59	...	1 1
34	„	35	...	0 7	59	„	60	...	1 1½
35	„	36	...	0 7	60	„	61	...	1 2
36	„	37	...	0 7	61	„	62	...	1 2
37	„	38	...	0 7	62	„	63	...	1 2
38	„	39	...	0 7½	63	„	64	...	1 2
39	„	40	...	0 7½	64	„	65	...	1 2

In the case of women the following Table applies where the person enters insurance before January 13th, 1913:—

TABLE C.
ENGLAND, SCOTLAND, AND WALES.
Female Voluntary Contributors.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
45 and under 46	...			0 8	55 and under 56	...			0 11
46	„	47	...	0 8½	56	„	57	...	0 11½
47	„	48	...	0 8½	57	„	58	...	1 0
48	„	49	...	0 9	58	„	59	...	1 0½
49	„	50	...	0 9	59	„	60	...	1 1
50	„	51	...	0 9½	60	„	61	...	1 1
51	„	52	...	0 9½	61	„	62	...	1 1½
52	„	53	...	0 10	62	„	63	...	1 1½
53	„	54	...	0 10½	63	„	64	...	1 1½
54	„	55	...	0 11	64	„	65	...	1 1½

IRELAND.

Age.				Weekly Contribution.	Age.				Weekly Contribution.
				s. d.					s. d.
45 and under 46	...			0 6	55 and under 56	...			0 9
46	„	47	...	0 6½	56	„	57	...	0 9½
47	„	48	...	0 6½	57	„	58	...	0 9½
48	„	49	...	0 7	58	„	59	...	0 10
49	„	50	...	0 7	59	„	60	...	0 10
50	„	51	...	0 7½	60	„	61	...	0 10½
51	„	52	...	0 7½	61	„	62	...	0 10½
52	„	53	...	0 8	62	„	63	...	0 10½
53	„	54	...	0 8½	63	„	64	...	0 10½
54	„	55	...	0 8½	64	„	65	...	0 10½

NOTE.—It is necessary to add that when an insured person has become a member of an approved society as a voluntary contributor, the rate of contributions payable in respect of him shall, notwithstanding that he becomes employed within the meaning of the Act, *remain the voluntary rate*, unless at any time after becoming so employed he gives notice in the prescribed manner of his wish to be transferred to the employed rate.

Where he gives such notice, the rate payable in respect of him shall be the employed rate.

FURTHER NOTE.—Remember that if the voluntary contributor is incapacitated for a period spread over two weeks and amounting to more than six days no contribution is payable in respect of the second week.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) What is the position of a widow who desires to become a voluntary contributor, and what contributions must she pay?

Ans. The position is as follows:—

If she was an insured person before marriage during marriage she is suspended from receiving the ordinary benefits, but she can continue to contribute as a voluntary contributor 3*d.* a week. This obtains her many advantages. See *infra*, Section XIV.

If her husband now dies (and remember “die” has a special meaning here) she may, if she is qualified to become a voluntary contributor, and elects to do so within one month after the death of her husband, become an ordinary voluntary contributor, paying contributions at the rate which would have been applicable to the case had she become such a contributor *at the date of her entry into insurance*:

Provided that she may, whether or not so qualified, if she so elects within one month after the death of her husband, continue to be or become a voluntary contributor on the same terms and subject to the same conditions as provided in the case of married women.

Further. If she was not an insured person before or during her marriage it is suggested that her position is exactly the same as that of an unmarried woman.

Quest. (2) A is an employed contributor from 1912–1918; he then becomes a voluntary contributor. During the period he was insured the contribution paid in respect of him was 6*d.*, except for the last month, when it was 7*d.* What is the rate of his voluntary contributions?

Ans. As when he left compulsory insurance, *i.e.* 7*d.*

Quest. (3) If an employee is given full pay during disablement, the contribution payable in respect of him, if he is compulsorily insured, is 5*d.* He then becomes a voluntary contributor. What does he contribute, 5*d.* or 7*d.*?

Ans. 7*d.* He pays at the rate of the compulsory insurance. In the case given that rate was 7*d.* subject to a rebate of 2*d.* in consequence of his employer paying full wages during sickness.

SECTION X.—WHAT CONTRIBUTIONS ARE PAYABLE IN THE
CASE OF EXEMPTED PERSONS ?

PERSONS who fall within Section IV. of this book, Classes I., II., or III., are exempted from paying contributions and are excepted from benefits, but their employer is bound in each of the above cases to pay his share of the contribution. The amount thus payable by him is calculated in exactly the same way as in the case of the ordinary employed contributor, but, of course, only the employer's share of such contribution is payable. Thus in the case of an exempted person whose daily rate of wage does not exceed 1s. 6*d.* per working day, the contribution payable by the employer is 6*d.* for men, 5*d.* for women, or, if the person exempted is under 21, 3*d.* for men and women alike (or in Ireland 2½*d.*), etc.

Persons who fall within Section IV., Classes IV. and V., are really excepted from insurance altogether, and in their case the employer is exempted from contributing altogether.

We deal with the way in which these contributions are to be made below.

DIVISION D, BENEFITS

SECTION XI.—WHAT ARE THE BENEFITS OBTAINABLE UNDER THE ACT?

NOTE.—We are dealing with Health Insurance only in this section.

The ordinary benefits are as follows :—

- | | |
|---------------------------|---------------------------------------|
| I.—Medical benefit . . | See <i>infra</i> , <i>Quest.</i> (1). |
| II.—Sanatorium benefit . | „ <i>Quest.</i> (12). |
| III.—Sickness benefit . . | „ <i>Quest.</i> (26). |
| IV.—Disablement benefit . | „ <i>Quest.</i> (40). |
| V.—Maternity benefit . . | „ <i>Quest.</i> (49). |

Additional benefits may be given if the insured person is a member of an approved society and such society has a sufficient surplus to warrant such additional benefits being declared.

The additional benefits are :—

(1) Medical treatment and attendance for any persons dependent upon the labour of a member.

(2) The payment of the whole or any part of the cost of dental treatment.

(3) An increase of sickness benefit or disablement benefit in the case either of all members of the society or of such of them as have any children or any specified number of children wholly or in part dependent upon them.

(4) Payment of sickness benefit from the first, second, or third day after the commencement of the disease or disablement.

(5) The payment of a disablement allowance to members though not totally incapable of work.

(6) An increase of maternity benefit.

(7) Allowances to a member during convalescence from some disease or disablement in respect of which sickness benefit or disablement benefit has been payable.

(8) The building or leasing of premises suitable for convalescent homes and the maintenance of such homes.

(9) The payment of pensions or superannuation allowances whether by way of addition to old age pensions under the Old Age Pensions Act, 1908, or otherwise.

(10) The payment, subject to the prescribed conditions, of contributions to superannuation funds in which the members are interested.

(11) Payments to members who are in want or distress including the remission of arrears whenever such arrears may have become due.

(12) Payments for the personal use of a member who, by reason of being an inmate of a hospital or other institution, is not in receipt of sickness benefit or disablement benefit.

(13) Payments to members not allowed to attend work on account of infection.

(14) Repayment of the whole or any part of contributions thereafter payable under this Part of the Act by members of the society or any class thereof.

With regard to the above, note particularly (10). It is especially desirable in some cases, *e.g.*, domestic servants, for the benefit of a pension to be obtainable. This benefit may be substituted for the whole or part of the sickness and, or, disablement benefit. A domestic servant before joining an approved society, if she desires a pension instead of the above benefits, should ascertain whether the rules of the society provide for the substitution of such pension benefit for the sickness and disablement benefits.

The approved societies are able, subject to the approval of the Insurance Commissioners, to vary the ordinary benefits by substituting any of the additional benefits.

NOTE.—If the insured person is a member of an approved society, and he is guilty of a breach of the rules of such society, it is within the power of the society, subject to its rules, to

suspend the guilty member from all benefits, except maternity benefit, for a period not exceeding one year.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) What does medical benefit amount to ?

Ans. Medical treatment and attendance, including the provision of proper and sufficient medicines, and such medical and surgical appliances as may be prescribed by regulations to be made by the Insurance Commissioners.

Quest. (2) Does medical treatment include slight surgical operations ?

Ans. Doubtful, but probably includes such small surgical operations as a general practitioner would ordinarily undertake.

Quest. (3) Can a person who is abroad for his holiday claim medical benefit ?

Ans. No. Note here that the Isle of Man and the Channel Islands count as abroad for the purposes of this answer.

Quest. (4) When does the right to claim medical benefit begin ?

Ans. Whenever required on and after January 15th, 1913. There is no further waiting period in the case of medical benefit, *i.e.* the person may send for the doctor as soon as he is taken ill.

Quest. (5) Has the insured person a free choice as regards the doctor who shall attend him ?

Ans. To some extent—yes. Lists of doctors for each particular area will be published. Persons living in area A will be entitled to choose any doctor on the list for area A. The doctor so chosen can, however, refuse to attend.

It is necessary to notice here that the Insurance Committee may require a person whose income exceeds a

certain limit (not yet fixed) and may allow any other person to make their own arrangements for receiving medical attendance. In such case they could choose any doctor, whether on the list or not.

In such a case the Committee would contribute out of funds reserved for the purpose towards the cost of such medical attendance. The amount contributed would not exceed the amounts which the Committee would have expended in providing medical benefits.

In such a case the doctor would send in his bill in the ordinary way, and such bill could be sent to the Insurance Committee. The Insurance Committee would pay the whole or part of it as the case may be ; the insured person would be responsible for the balance, if any. The scale of charges would be the doctor's ordinary scale to that person.

Quest. (6) Has the doctor to give any reason why he refuses to attend ?

Ans. No.

Quest. (7) Does medical benefit include any right to medical treatment or attendance in respect of a confinement ?

Ans. No.

Quest. (8) How many arrears will exclude from this benefit ?

Ans. Twenty-six a year on the average since his entry into insurance.

Quest. (9) Are any persons specially excluded from this benefit ?

Ans. Yes. The following :—

(1) Insured persons in Ireland, except as an additional benefit.

(2) Persons in the naval and military service of the Crown.

(3) Masters, seamen, and apprentices to the sea service, where shipowner liable to defray the necessary surgical

and medical advice, attendance, medicine, and maintenance.

(4) In certain cases persons over 65 at the commencement of the Act.

(5) All exempted persons.

Quest. (10) For how long does medical benefit last ?

Ans. For life, *i.e.* the doctor can be asked to attend whenever, and for as long as, required.

In the case, however, of deposit contributors until the expiration of the current year, when the sums standing to his credit in the Post Office fund are exhausted.

Quest. (11) Is the person excluded from medical benefit if the illness is caused by the sufferer's own misconduct ?

Ans. No. Note, the contrary is the case as regards sickness or disablement benefit.

NOTE.—We deal later with the various ways of claiming benefits.

Quest. (12) What does Sanatorium benefit consist in ?

Ans. Treatment in sanatoria or other institutions or otherwise when suffering from tuberculosis, or such other diseases as the Local Government Board with the approval of the Treasury may appoint.

The Local Government Board has not as yet made any Order on this part of the Act.

The treatment in the sanatorium would, of course, be entirely free.

Further, the Insurance Committee has power to pay, or to advance, the travelling expenses of a person who is sent to a sanatorium for treatment.

This benefit can also be extended to the *dependants* of the insured person even though such dependants are not insured.

Quest. (13) Does the insured person while maintained in the Sanatorium receive the other benefits as well ?

Ans. No. No payment will be made to such a person on account of sickness, disablement, or maternity benefit, and, of course, medical benefit is no longer applicable.

In such a case, however, if the person undergoing treatment leaves dependants outside, the above benefits may be applied in whole or in part to relief or maintenance of such persons.

Quest. (14) Who decides who are dependants ?

Ans. The Insurance Committee or approved society to which the insured person belongs.

Quest. (15) Who administers this benefit ?

Ans. The Insurance Committee of the area in which insured person resides.

Quest. (16) What is necessary for a person to be entitled to this benefit ?

Ans. He must be—

(a) an insured person not in arrears more than twenty-six weeks a year on the average ;

(b) recommended for it by the Insurance Committee (presumably on medical advice) ;

(c) resident in the United Kingdom (unless temporarily resident in the Isle of Man).

Quest. (17) Can the treatment proceed in the patient's own home ?

Ans. Yes.

Quest. (18) Who would decide where it should be administered ?

Ans. Apparently the Insurance Committee acting under medical advice.

Quest. (19) Is there a waiting period in the case of this benefit?

Ans. No. It commences as soon as the Act commences.

Quest. (20) How does one obtain this benefit?

Ans. See *infra*, Section XIII.

Quest. (21) For how long can it be claimed?

Ans. For so long as it is thought necessary to continue the treatment, save that in the case of deposit contributors it will only continue until the end of the year in which the funds standing to the contributor's name became exhausted. This, again, is subject to a proviso to this effect, that if the Insurance Committee has funds available for the purpose it may allow such deposit contributor to receive sanatorium benefit after the end of such year.

Quest. (22) Will preventive treatment be undertaken?

Ans. No. Solely curative.

Quest. (23) Who are not entitled to Sanatorium benefit?

Ans. (1) Persons in arrears more than twenty-six weeks a year on the average.

(2) Married women being voluntary contributors at the reduced rates.

(3) Members of the naval and military service of the Crown while on service.

(4) Persons over sixty-five at the commencement of the Act, unless his approved society decides that it can afford to incur the expense in respect of him.

(5) All exempted persons.

Quest. (24) How can the Sanatorium benefit be administered immediately when there are no Sanatoria yet built?

Ans. It must be remembered that the Insurance Committee might authorize the treatment of consumptives in

places other than sanatoria, and this will doubtless be done at first. And it is possible for County Sanatoria to be partly placed at the disposal of the Insurance Committees in certain cases. This is being done largely in Wales.

Notice also that persons who want treatment immediately the Act comes into force are more than likely to be chronic invalids and unemployable. Such persons (since they are not employed) do not come within the scope of the Act.

Quest. (25) Can it be extended to the wives and children of the insured person?

Ans. Yes, if such persons are dependants of the insured.

Quest. (26) What is sickness benefit?

Ans. Sickness benefit consists in the payment of periodical sums of money to the insured person whilst rendered incapable of work by some specific disease or by bodily or mental disablement, of which notice has been given, commencing from the fourth day after being so rendered incapable of work, and continuing for a period not exceeding twenty-six weeks.

The amount of the periodical payment is—

For men 10s. a week for twenty-six weeks,

For women 7s. 6d. a week for twenty-six weeks.

The above is, however, modified in the following cases :—

A. *Married Women (not employed) :*

5s. for thirteen weeks ; 3s. for thirteen weeks.

See as to this class, *infra*, Section XIV.

B. *Unmarried Minors without dependants :*

Males 6s. for thirteen weeks ; 5s. for thirteen weeks.

Females 5s. for thirteen weeks ; 4s. for thirteen weeks.

C. *Persons over fifty years of age: i.e. over fifty and under sixty at time of becoming employed contributor.*

Males 7s. for twenty-six weeks,

Females 6s. for twenty-six weeks.

D. *Persons over sixty at time of becoming an employed contributor:*

Both men and women—6s. for thirteen weeks; 5s. for thirteen weeks.

E. *Persons who enter an approved society at the commencement of the Act at ages between sixty-five and seventy.*

Benefits such as their society might determine.

The following Table has been adopted by many societies:—

ENGLAND, SCOTLAND, AND WALES.

Men.		Women.	
First 13 weeks of Sickness.	Second 13 weeks of Sickness.	First 13 weeks of Sickness.	Second 13 weeks of Sickness.
Per week.	Per week.	Per week.	Per week.
s. d. 6 0	s. d. 5 0	s. d. 5 0	s. d. 4 0

IRELAND.

Men.		Women.	
First 13 weeks of Sickness.	Second 13 weeks of Sickness.	First 13 weeks of Sickness.	Second 13 weeks of Sickness.
Per week.	Per week.	Per week.	Per week.
s. d. 5 0	s. d. 4 0	s. d. 4 6	s. d. 3 6

F. *Persons who, not having been previously insured under the Act, become employed contributors subsequently*

to the expiration of one year from the commencement of the Act, and are, at the time of so becoming employed contributors, of the age of seventeen or upwards.

In such cases the rate of sickness benefit to which such a person is entitled will (unless he proves that his time since he attained the age of seventeen has been spent in a school or college, in indentured apprenticeship or otherwise under instruction without wages, or otherwise in the completion of his education, or unless he undertakes himself to pay the difference between the voluntary rate and the employed rate, or pays to the Insurance Commissioners, to be credited the society, such capital sum as will be sufficient to secure him benefits at the full rate) be such reduced rate as may be fixed in accordance with tables to be prepared by the Insurance Commissioners, *but not in any case less than five shillings a week :*

Provided that, if at any time subsequently such person would become entitled to sickness benefit at a higher rate if he were treated as having become an employed contributor as from the time when he attained the age of seventeen, or as from the expiration of one year after the commencement of the Act, whichever date may be the later, and as being in arrear for all contributions which, had he become an employed contributor at that date, would have been payable in respect of him between that date and the date when he actually became an employed contributor, he will, if he so elects, be entitled to be so treated.

G. *Persons in receipt of Pensions* by way of additional benefit under the Act. An approved society is entitled in certain cases to give a pension to insured persons, in such a case it might insist upon the person receiving the pension being excluded in whole or in part from his right to sickness benefit whilst in receipt of the pension.

If excluded in part the rate of sickness pay would be such as the approved society may determine.

H. *Aliens, i.e. Foreigners not naturalized :*

As determined by the approved society of which they are members. The following Table has been adopted by many approved societies :—

Age at entry to the Society.					Sickness Benefit.	
					Rate per week.	
					s.	d.
17 and under	19	...	...		9	6
19	21	...	...		9	0
21	25	...	...		8	6
25	30	...	...		7	6
30	35	...	...		7	0
35	40	...	...		6	0
40	45	...	...		5	6
45	50	...	...		4	6
50	55	...	...		3	6
55	60	...	...		2	6
60	65	...	...		2	0

If they are deposit contributors then the ordinary rate is reduced in the case of a man by seven-ninths and in the case of a woman by three-quarters.

I. *Deposit Contributors.*

The weekly sum may be the same, but it can only be drawn out so long as the deposit contributor has money standing to his account at the Post Office. The deposit contributor is not insured at all.

J. *Where the rate of wages is low.*

Where the sickness benefit exceeds two-thirds of the ordinary rate of wages the rate of benefit payable may be reduced to an extent to be determined by the approved society or insurance committee.

In such a case, however, additional benefits must be granted equivalent to the reduction.

K. *Persons in arrears.*

The benefits will be reduced, where the contributions are in arrears, in accordance with the following Table :—

Where the Arrears amount to				Rates of Sickness Benefit.	
				Men.	Women.
				s. d.	s. d.
4	contributions	a	year on average	9 6	7 3
5	"	"	"	9 0	7 0
6	"	"	"	8 6	6 9
7	"	"	"	8 0	6 6
8	"	"	"	7 6	6 3
9	"	"	"	7 0	6 0
10	"	"	"	6 6	5 9
11	"	"	"	6 0	5 6
12	"	"	"	5 6	5 3
13	"	"	"	5 0	5 0
For both men and women.				5s. commencing 5th day after commence- ment of illness.	
				do. 6th	do.
				do. 7th	do.
				do. 8th	do.
				do. 9th	do.
				do. 10th	do.
				do. 11th	do.
				do. 12th	do.
				do. 13th	do.
				do. 14th	do.

NOTES TO THE ABOVE TABLE.

Where the insured person is entitled to sickness benefit at a rate lower than the full rate, apart from arrears, this Table has effect as if the entries in the first column were so shifted down that the first entry was set opposite the entry in the second column next below the entry specifying the rate of sickness benefit to which the insured person is entitled.

When the rate of sickness benefit during the first thirteen weeks to which the insured person is entitled is, apart from arrears, less than 5s. a week, this Table has effect as if such lower rate were substituted for the rate of 5s. a week.

It is to be observed that the above Table applies to employed contributors only. Voluntary contributors are liable to such proportionate reduction as may be prescribed. No Order on the subject has yet been issued.

Persons in arrears more than thirteen weeks in the year on

an average, whether employed or voluntary contributors, get no sickness benefit at all.

Quest. (27) Who are excluded from sickness benefit ?

Ans. The following :

(1) Insured persons in arrears more than thirteen weeks in the year on an average.

(2) Persons entitled to receive or recover compensation or damages under the Workmen's Compensation Act, 1906, the Employers' Liability Act, 1880, or at Common Law.

(3) Persons in the naval or military service of the Crown while on service.

(4) Masters, seamen, or apprentices to the sea service where and while the owner is under the legal liability of supplying surgical and medical advice and attendance, medicine and maintenance during sickness.

(5) Persons above the age of seventy.

(6) Persons permanently or temporarily resident abroad. "Abroad" here includes the Isle of Man and the Channel Islands, unless the residence is merely temporary.

(7) Persons in the employ of an employer who pays full wages during sickness and who has given notice to the Insurance Commissioners under section 47 of the Act. They are excluded from sickness benefit as long as the employer pays them full wages. The employer to claim the benefits of section 47 must pay for six weeks in the aggregate per year.

(8) Persons who are members of an approved society which has substituted a pension or superannuation allowance for sickness benefit, whilst in receipt of such pension.

(9) All exempted persons.

Quest. (28) How is the benefit claimed ?

Ans. By giving notice to the approved society together with a certificate as required by the society. As a rule

the insured person will be required to send to the secretary of his society a declaration of incapacity for work. This declaration will have to be in a form to be obtained from the society and will have to be accompanied by a medical certificate. This is called "*declaring on.*"

Quest. (29) How does the insured inform the proper authorities that he no longer requires the benefit?

Ans. By "*declaring off.*" He does this by sending to the secretary of his society a declaring off note in the proper form to be obtained from the society.

Quest. (30) When must one declare off?

Ans. As soon as capable of work and before returning to work.

Quest. (31) What is the position where a person has no approved society being a deposit contributor?

Ans. Substitute "Insurance Committee" for "Approved Society" in above answers.

Quest. (32) When can the benefit be claimed?

Ans. As a general rule not until twenty-six weeks after entry into insurance and at least twenty-six weekly contributions have been paid nor until the insured has been ill for three days, *i.e.* assume illness commences Monday evening. Monday counts as one day, benefit can be claimed as from the Thursday following.

If, however, the insured is an old member of his approved society, *i.e.* was a member of it, as a Friendly Society, before it was approved, he may participate in some of the extra benefits which such societies are entitled to declare as regards their old members. One of these benefits which many societies are providing for is the payment of sickness benefit before January 15th, 1913, etc., and as from the first day of illness.

Quest. (33) Suppose a man is ill and obtains sickness benefit for six weeks. He then recovers and declares off. Almost immediately after he becomes ill again. Can he claim twenty-six weeks' sickness benefit in respect of the second illness?

Ans. No. The subsequent illness counts as a continuation of the previous illness unless a period of twelve months separates the two illnesses and at least fifty weekly contributions have been paid by or in respect of him. Consequently in the case given he could only claim twenty weeks sickness benefits and note if the first thirteen weeks is different from the second thirteen weeks as regards benefits payable he would be paid seven weeks at the higher rate and thirteen weeks at the lower.

Quest. (34) What degree of illness must be present before the benefit can be claimed?

Ans. It must make the insured incapable of work. The doctor when giving his certificate will have to judge whether it does really render the person incapable of work or not. It is to be noticed that a person who obtains such a certificate and so obtains sickness benefit and yet struggles on with his work is guilty of an offence and the amounts received by him as benefits are recoverable as debts due to the Crown.

Quest. (35) Can a man who has been a member of a Friendly Society for many years draw his old Friendly Society sickness benefit as well as his sickness benefit under the Act?

Ans. Generally speaking, yes. It is to be clearly understood that although double insurance *under the Act* is forbidden, apart from the Act a man may be insured as many times as he cares to pay for. Consequently if the old Friendly Society man continues to pay into his Friendly Society, he will get the old Friendly Society benefits exactly the same as before the Act.

If, however, he ceases to pay into the Friendly Society

upon becoming insured under the Act his Friendly Society will still have some money of his in their hands, and this money they are required to deal with so as to benefit him.

Owing, however, to the wording of section 72 (1) (c) of the Act, *if he does not make his old Friendly Society his approved society* he is liable to be excluded from all the special benefits which will or may be given to the other old members who do make their old society their approved society.

Quest. (36) Is the wife of an insured person entitled to sickness benefit in respect of a confinement?

Ans. Not unless she, too, is an employed person.

Quest. (37) Is an unmarried woman entitled to sickness benefit in respect of a confinement?

Ans. Not unless the illness consequent upon confinement continues for more than four weeks. After four weeks she is entitled to sickness benefit commencing from the termination of the fourth week.

Quest. (38) Can a person claim sickness benefit as well as compensation under the various workmen's compensation or accident Acts?

Ans. No. The compensation, etc., is payable, but not the benefit under the National Insurance Act.

Quest. (39) Can a person over seventy years of age claim sickness benefit?

Ans. No. Both sickness and disablement benefit ceases at that age. The old age pension commences.

Quest. (40) What is disablement benefit?

Ans. Disablement benefit consists in the payment of periodical sums in the case of the disease or disablement continuing after the determination of sickness benefit.

Such payments continue as long as the insured person is rendered incapable of work by the disease or disablement.

The amount of the periodical payment is :—

For men and women 5s. a week.

The above sum is, however, reduced in the following cases :—

A. *Married woman* : 3s. a week.

B. *Unmarried minors without dependants* : For males ordinary rate ; for females 4s. a week.

C. *Aliens, i.e. Foreigners not naturalized* : As determined by the approved society of which they are members or the Insurance Committee. The following table has been adopted by many approved societies :—

Age at entry to the Society.					Disablement Benefit.	
					Rate per week.	
					s.	d.
17 and under	19	...	...		4	9
19	21	...	...		4	6
21	25	...	...		4	3
25	30	...	...		3	9
30	35	...	...		3	6
35	40	...	...		3	0
40	45	...	...		2	9
45	50	...	...		2	3
50	55	...	...		1	9
55	60	...	...		1	3
60	65	...	...		1	0

If they are deposit contributors, then the ordinary rate is reduced in the case of a man by seven-ninths and in the case of a woman by three-quarters.

D. *Deposit contributors.*

Practically speaking, the deposit contributor is excluded from disablement benefit. At best he has only the fund standing to his name at the Post Office to draw upon, and this would in nearly every case be exhausted by

sickness benefit, which in a normal case precedes disablement benefit.

E. *When the rate of wages is low.*

When the disablement benefit exceeds two-thirds of the ordinary rate of wages, the rate of benefit payable may be reduced to an extent to be determined by his approved society or Insurance Committee.

In such a case, however, additional benefits must be granted equivalent to the reduction.

F. *Persons in receipt of pensions* by way of additional benefit under the Act. An approved society is entitled in certain cases to give a pension to insured persons. In such a case it might insist upon the person receiving the pension being excluded in whole or in part from his right to disablement benefit whilst in receipt of the pension.

If excluded in part, the rate of disablement pay would be such as the approved society may determine.

Quest. (41) Who are excluded from disablement benefit?

Ans. The following :

(1) Insured persons in arrears more than thirteen weeks in the year on an average.

(2) Persons entitled to receive or recover compensation or damages under the Workmen's Compensation Act, 1906, the Employers' Liability Act, 1880, or at Common Law.

(3) Persons in the naval and military service of the Crown while on service.

(4) Masters, seamen, or apprentices to the sea service, when and while the owner is under the legal liability of supplying surgical and medical advice and attendance, medicine and maintenance during sickness.

(5) Persons above the age of seventy.

(6) Persons permanently or temporarily resident abroad. "Abroad" here includes the Isle of Man and the Channel Islands, unless the residence is merely temporary.

(7) Persons who are members of an approved society which has substituted a pension or superannuation allowance for disablement benefit, whilst in receipt of such pension.

(8) All persons exempted.

Quest. (42) Can disablement benefit be claimed as well as damages under the various workmen's accident Acts ?

Ans. No. The employer pays as heretofore in respect of the accident, but the workman does not receive disablement benefit under the Act.

Quest. (43) An insured person is negligently knocked down and permanently disabled by a motor car. Can he claim disablement benefit ?

Ans. No. Neither sickness nor disablement benefit. His only remedy is an action for damages against the owner of the motor car. Then, if the damages recovered are less than the value of the benefits under the Act, it would appear that he can claim the difference.

Quest. (44) What is meant by "rendered incapable of work" ?

Ans. Apparently it means rendered incapable of any kind of work, not merely the insured person's ordinary work.

Quest. (45) While a person is in receipt of disablement benefit :

(1) is he bound to pay contributions or fall into arrears.

(2) is he entitled to pay contributions ?

Ans. The answer to the first question is in the negative, and to the second in the affirmative,

Quest. (46) When does disablement benefit become payable ?

Ans. Not until 104 weeks have elapsed since his entry into insurance and at least 104 weekly contributions have been paid by or in respect of him,

But note here that as soon as the above conditions are fulfilled the insured person becomes entitled to the disablement benefit, although the disease, etc., *commenced before* the 104 weeks, etc., had expired.

Quest. (47) Can a person claim both disablement benefit and unemployment benefit?

Ans. No. One of the conditions attached to the receipt of unemployment benefit is that the recipient is "capable of work."

Quest. (48) Who is the authority to apply to in the case of disablement?

Ans. When insured person is a member of an approved society: the approved society. When a Post Office contributor: the Insurance Committee.

Quest. (49) What is maternity benefit?

Ans. Maternity benefit consists in a payment of a certain sum in the case of the confinement of the wife, or, where the child is a posthumous child, of the widow of an insured person, or of any other woman who is an insured person.

The amount payable in the ordinary case is 30s.

This amount is reduced in the following cases:—

A. Aliens.

(1) If a deposit contributor.

If the woman is married and the husband is alive 23s. 4d.

If the woman is a widow or unmarried 22s. 6d.

(2) If the alien is a member of an approved society then such sum as the society shall determine. The following Table has been adopted by many societies:—

Age at entry to the Society.					Maternity Benefit.		
					£	s.	d.
17 and under 19	...	...			1	8	6
19	„	21	...	...	1	7	0
21	„	25	...	...	1	5	6
25	„	30	...	...	1	2	6
30	„	35	...	...	1	1	0
35	„	40	...	...	1	0	0
40	„	45	...	...	1	0	0
45	„	50	...	...	1	0	0
50	„	55	...	...	1	0	0
55	„	60	...	...	1	0	0
60	„	65	...	...	1	0	0

B. Deposit Contributors.

Where the amount standing to the contributor's account will not warrant the full payment.

Quest. (50) When does the right to maternity benefit commence ?

Ans. In the case of an employed contributor not until twenty-six weeks after entry into insurance, and not until twenty-six weekly contributions have been paid.

In the case of a voluntary contributor, substitute fifty-two for twenty-six.

Quest. (51) Does the wife claim the maternity benefit ?

Ans. No, the husband. He is the insured person in respect of whom it is paid.

Quest. (52) If the wife is also insured can they both claim the benefit ?

Ans. No, only the husband. In such a case, however, the mother is entitled to sickness and disablement benefit.

Quest. (53) If the wife only is insured can she claim ?

Ans. Yes.

Quest. (54) Has the doctor, etc., to be paid out of the maternity benefit ?

Ans. Yes. Medical benefit does not include any right to medical treatment or attendance in respect of a confinement.

Quest. (55) Since the money is, as a rule, paid to the husband what happens if he simply spends it upon himself?

Ans. The Act specially states that it is the duty of the husband to make the best provision in his power for the maintenance and care of his wife during confinement, and for four weeks after. Obviously if he wastes the maternity benefit he is not making the best provision in his power, etc. Failure to perform this duty is punishable with one month's imprisonment with or without hard labour.

Quest. (56) Is maternity benefit payable in respect of a miscarriage?

Ans. Not as a rule. "Confinement" is defined as follows in the Model Rules: "Labour resulting in the issue of a living child or labour after twenty-eight weeks of pregnancy resulting in the issue of a child whether alive or dead."

Quest. (57) Will the fact that the mother of an illegitimate child is receiving maternity benefit make any difference to the amount of the bastardy order which might be made against the father?

Ans. No. This is specially dealt with by section 18 (2) of the Act.

Quest. (58) What is the position of a married woman who was an insured person before marriage and then ceased to be a contributor?

Ans. If her husband is an insured person he gets maternity benefit, she also gets 5s. a week during confinement for a period not exceeding four weeks; this payment is made in respect of what may be termed her transfer value, and it depends on the calculated amount of this transfer value (which depends on the age at which she left insurance) whether the additional payment above mentioned can be made.

Quest. (59) Is an unmarried woman entitled to sickness benefit as well as maternity benefit?

Ans. Not until four weeks after confinement unless the illness is unconnected with the confinement.

Quest. (60) What persons are excluded from this benefit?

Ans. The following :—

(1) Insured persons in arrear more than twenty-six weeks a year on the average since entry into insurance.

(2) Persons resident temporarily or permanently abroad if the wife is also at the time of the confinement resident abroad; unless the wife of a person in the naval or military service of the Crown.

SECTION XII.—WHAT ARE THE ADVANTAGES OF JOINING AN APPROVED SOCIETY, AND HOW DOES ONE JOIN?

I.—*Advantages of Joining an Approved Society.*

There are, as we have seen, two ways of obtaining the benefits under Part I. of the Act :—

- (1) By joining an approved society.
- (2) By becoming a deposit contributor.

If the former of these ways is adopted the contributor is really insured ; in the latter case he is not. Membership of an approved society brings with it all the advantages which are to be gained from having a very considerable sum of money from which to pay benefits ; for, since a considerable number of persons are paying in week by week, and since a much smaller number are falling sick, it is obvious that the sick members can draw upon the common fund which is formed, not merely from the funds which the sick member has paid in in the past, but which also contains the weekly contributions of the healthy. In the case of the deposit contributor he stands by himself. As soon as the money he has paid in has gone there is nothing left out of which to pay benefits. It is to be observed here, however, that where the deposit contributor appears subsequently to be consumptive the Insurance Committee can allow him sanatorium benefit, even after the sum standing to his credit at the Post Office is exhausted.

From the above it is fairly clear that it is desirable to join a society which is sound financially, for it must always be remembered that members of a society are penalized by bad management. That is to say, if a society, owing to mal-administration, gets into financial difficulties, the State will not help it out, but it will have to right itself by reducing the

benefits of its members. In other words, the State does not guarantee the funds of approved societies. If, however, the society is in financial difficulties owing to bad luck, *i.e.* owing to the fact that it is a small society and has had an unusual amount of sickness amongst its members, machinery has been devised to enable its members to escape any reduction of benefits. This is the purpose of the sections of the Act relating to pooling and grouping. It is obvious that a small society of, say, twenty-five persons, is much more likely to have its funds depleted by bad luck than a large society of, say, 250,000 persons. In the case we have given, if five of the twenty-five were ill at the same time, as they might easily be during some epidemic disorder, the funds would speedily disappear; while in the case of the larger society it is hardly possible that twenty per cent. of the total number of members could be ill at the same time. The Act consequently makes it necessary for all societies who desire to become approved and whose members are less than five thousand, to join together for the purpose of pooling surpluses and deficiencies. Thus, however small the society may be that an insured person contemplates joining, the position of the insured person will be the same as though it were a society containing five thousand members except in this, that if it is badly managed—and very small societies are naturally more likely to be badly managed than very large ones—the loss caused by such bad management will fall exclusively upon the members of that society.

If, however, the insured person chooses a *well managed* and *financially sound* approved society, and one which is expert in the matter of investments, he will get much greater benefits than a deposit contributor. In particular, the following are the advantages:—

(1) The contributor is really *insured*, *i.e.* he has the funds of the society, and can draw out his full benefits under the Act, although greatly in excess of the amount paid in by him.

(2) The contributor can receive one or any of the additional benefits created by the Act if the society's rules so provide and if the society's funds so permit.

(3) The contributor might receive more useful benefits instead of those provided by the Act. Thus societies are empowered to substitute pensions in part or completely for the ordinary sickness and disablement benefit, and this might be of great service to such employed persons as domestic servants who are rarely sick but who would find a pension paid later in life of the greatest assistance. See below for particulars.

(4) If a society is joined much of the trouble of administration is removed from the employee. The officials of this society would naturally be always ready to reply to any intelligent inquiry.

(5) In the case of aliens who are young the benefits which are given by approved societies are in excess of those which are given by the Act to aliens who become deposit contributors. Thus, as we have seen, an alien (male) under nineteen gets 9s. 6d. a week sickness benefit if a member of an approved society, but if a Post Office contributor he only gets 7s. 10d. On the other hand, if his age is over forty it is probable that it would pay him to become a Post Office contributor.

(6) If the contributor is an old member of a friendly (or similar) society and takes his State benefit through such society, he becomes a partaker in the advantages which will be provided for in the scheme which any such society has to submit to the Registrar of Friendly Societies. Such advantages may include one or more of the following:—

- (1) increased benefits similar to or different from those created by the Act.
- (2) reduction of the contributions payable by the person *as a member* of the old Friendly Society.
- (3) reduction of the contributions payable *as being an insured person under the Act*.

As an example of (1) it is possible for the approved society to give its old members sickness benefit before January 15th, 1913, and to pay sickness benefit from the first day of illness instead of from the fourth as provided by the Act. Also it could provide funeral benefits, although that is not a benefit contemplated by the Act.

(7) The contributor can obtain sanatorium benefit if a member of an approved society in some cases where, if he were a deposit contributor he could not.

(8) There are many additional advantages in the case of persons over the age of sixty-five at the commencement of the Act.

(9) A married woman who is suspended from benefits is not entitled to become a married woman voluntary contributor unless she is a member of an approved society. See below, Section XIV.

(10) Further it must always be remembered that as soon as the sums credited to approved societies as reserve values in respect of persons who enter into insurance within one year after the commencement of this Act have been written off in manner provided by Part I. of the Act, the benefits payable to insured persons under Part I. of the Act will be extended in such manner as Parliament may determine. This may result in considerably increased benefits being given in future.

II.—*How does one Join ?*

If the person desiring to join has no particular society in view, he should obtain the lists of approved societies from Wyman & Sons, Ltd., Fetter Lane, E.C. These lists will only cost a few pence, and will give the addresses of the various societies which are approved, and will also inform the inquirer whether they admit women or not.

It may be that many of these societies will not admit him to membership. Societies are forced to make no restrictions as to age, but, apart from that, they can limit their membership in any way they like. Some societies are restricted to women, some are limited to workers in particular trades; others have stringent medical provisions, others much less stringent ones. All these things must be considered.

As soon as the society is chosen, the trouble of joining is practically over. A post-card to the secretary will bring the necessary forms. We give a form of application for membership of a society.

FORM OF APPLICATION FOR MEMBERSHIP OF THE X.Y.Z. SOCIETY

I (*names in full*) _____

of (*home address in full*) _____

hereby apply for membership of the above society for the purposes of the National Insurance Act, and I authorize the Society to claim all contributions paid in respect of me under the Act.

I agree to be bound by all rules of the Society lawfully applicable to me, and I hereby declare that my answers to the following questions are true to the best of my knowledge and belief.

Question.	Answer.
1. When were you born ? Where ?	day month year.
2. How old will you be at your next birthday ?	
3. Are you a British subject ? [If you are married is your husband a British subject ?]	} only applies in case of women.
4. What is your exact occupation ?	
5. Do you work for— (a) wages, or (b) a salary, or (c) if not, how are you paid ?	
6. Are you qualified to be an insured person ?	
7. Are you married ? [If so give date of marriage.]	} only applies in case of women.
8. Are you a member of any other Society for the purposes of the Act ?	

As to Question 8, it must be remembered that, though an insured person cannot take benefits under the Act from more than one approved society, he can be a member of as many societies as he likes for purposes outside the Act.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

As to I.—*Advantages of Joining.*

Quest. (1) What pension benefits are societies empowered to substitute for the ordinary sickness and disablement benefits?

Ans. A Blue Book has recently been issued which deals at some length with the various benefits which may be substituted by an approved society for the ordinary benefits. This may be obtained from Wyman & Sons, Ltd., Fetter Lane, E.C. (Command Papers 6292), price 5½*d.* For the purposes of this book it is sufficient to give the following table, which applies only in the case of women, and which expresses the pension benefit which may be given in substitution for all or part of the sickness and disablement benefits given by the Act.

TABLE.

PENSION AT 65.

THE PENSION BENEFITS SHOWN IN THIS TABLE ARE THE FULL AMOUNTS OBTAINED BY REGULAR CONTRIBUTION AND INCLUDE THE STATE PROPORTION OF ONE-FOURTH.

Age at entry into Scheme.	Pension in Substitution for Sickness Benefit throughout Insurance and half Disablement Benefit from 65 to 70.		Pension in Substitution for Sickness and Disablement Benefits.	
	Beginning at age 65 and ending at age 70.		Throughout life from age 65.	Beginning at age 65 and ending at age 70.
	Per Week.		Per Week.	Per Week.
	s.	d.	s.	d.
16 and under 17	6	4	4	1
17 „ 18	6	2	4	0
18 „ 19	6	0	3	11
19 „ 20	5	11	3	10

Age at entry into Scheme.					Pension in Substitution for Sickness Benefit throughout Insurance and half Disablement Benefit from 65 to 70.	Pension in Substitution for Sickness and Disablement Benefits.		
					Beginning at age 65 and ending at age 70.	Throughout life from age 65.	Beginning at age 65 and ending at age 70.	
					Per Week.	Per Week.	Per Week.	
					s. d.	s. d.	s. d.	
20	and	under	21	...	...	5 9	3 9	8 6
21		"	22	...	...	5 7	3 8	8 4
22		"	23	...	...	5 5	3 7	8 2
23		"	24	...	...	5 3	3 6	8 0
24		"	25	...	...	5 1	3 5	7 10
25		"	26	...	...	5 0	3 5	7 9
26		"	27	...	...	4 11	3 4	7 7
27		"	28	...	...	4 9	3 3	7 5
28		"	29	...	...	4 7	3 2	7 3
29		"	30	...	...	4 6	3 1	7 1
30		"	31	...	...	4 4	3 1	6 11
31		"	32	...	...	4 2	3 1	6 9
32		"	33	...	...	4 1	3 0	6 7
33		"	34	...	...	3 11	2 11	6 5
34		"	35	...	...	3 10	2 10	6 4
35		"	36	...	...	3 9	2 9	6 3
36		"	37	...	...	3 7	2 8	6 1
37		"	38	...	...	3 6	2 7	5 11
38		"	39	...	...	3 5	2 6	5 9
39		"	40	...	...	3 4	2 6	5 7
40		"	41	...	...	3 3		5 6
41		"	42	...	...	3 2		5 4
42		"	43	...	...	3 0		5 2
43		"	44	...	...	2 11		5 0
44		"	45	...	...	2 10		4 11
45		"	46	...	...	2 9		4 9

Quest. (2) What happens if the society's officials embezzle the society's funds ?

Ans. Every society, before it becomes approved, has to give security against misappropriation of the society's funds. Moreover, the Commissioners generally insist upon the funds being in the joint control of several officials, so that misappropriation, unless accompanied by

conspiracy, is extremely improbable and difficult. It is to be noticed that the Commissioners have wide powers of taking accounts, and consequently any defalcations would soon become apparent. If, however, the officials do misappropriate in excess of the security given, the members suffer reduced benefits.

Quest. (3) What are the additional benefits which may be given ?

Ans. They are as follows :—

(1) Medical treatment and attendance for any persons dependent upon the labour of a member.

(2) The payment of the whole or any part of the cost of dental treatment.

(3) An increase of sickness benefit or disablement benefit in the case either of all members of the society or such of them as have any children or any specified number of children wholly or in part dependent upon them.

(4) Payment of sickness benefit from the first, second or third day after the commencement of the disease or disablement.

(5) The payment of a disablement allowance to members though not totally incapable of work.

(6) An increase of maternity benefit.

(7) Allowances to a member during convalescence from some disease or disablement in respect of which sickness benefit or disablement benefit has been payable.

(8) The building or leasing of premises suitable for convalescent homes and the maintenance of such homes.

(9) The payment of pensions or superannuation allowances whether by way of addition to old age pensions under the Old Age Pensions Act, 1908, or otherwise.

(10) The payment, subject to the prescribed conditions, of contributions to superannuation funds in which the members are interested.

(11) Payments to members who are in want or distress,

including the remission of arrears whenever such arrears may have become due.

(12) Payments for the personal use of a member who, by reason of being an inmate of a hospital or other institution, is not in receipt of sickness benefit or disablement benefit.

(13) Payments to members not allowed to attend work on account of infection.

(14) Repayment of the whole or any part of contributions payable under Part I. of the Act by members of the society.

If the insured person is an old member of the approved society the society (if registered) is specially empowered to submit a scheme to the Registrar of Friendly Societies, which scheme may provide for applying the old funds for the benefit of the old members in one or any or all of the following ways :—

- (a) towards the cost of the provision of other or increased benefits payable by the society independently of Part I. of the Act to existing members whether insured persons or not ;
- (b) in reduction of the contributions payable by such members in respect of the benefits payable by the society independently of Part I. of the Act ;
- (c) towards the payment or repayment of contributions payable under Part I. of the Act by such of its existing members as are entitled and elect to receive benefits under Part I. of the Act through the society.

In consequence of the last of these alternatives it is to be remarked that if an old member of a registered friendly society does not make that friendly society his approved society for the purposes of the Act he may find himself excluded from all the benefits which his old society gives to its old members as being entitled to a share in the old funds. In other words, although he may have paid in to the old society for twenty years he may not be able to claim a penny from such society

unless he makes it his approved society, because societies are empowered to devote the whole of their old funds for the purpose of reducing the contributions payable under the Act by their members *who make that society their approved society*.

Quest. (4) Are the officials of approved societies bound to answer questions ?

Ans. It depends upon the rules. The Act specially provides that in the case of married women the approved society of which she is a member shall be required to give her full information as to the nature of her rights.

Quest. (5) Can a person transfer from one society to another ?

Ans. Yes. But if the society from which he transferred proves that the person voluntarily ceased to be a member of that society without the consent of the society, and that consent was not unreasonably withheld, the person transferring will lose his transfer value.

Quest. (6) What are reserve and transfer values ?

Ans. Reserve and transfer values are quite distinct and separate things, and as such we will treat them.

I. *As to Reserve Values.*

Since members of all ages varying from sixteen to sixty-five are to be admitted into all approved societies and are to receive the same benefits at the same rates, it is obvious that some financial adjustment is necessary to make the position of societies secure. Otherwise some societies might be swamped by old members who, since the benefits they would require would be considerably in excess of those required in the case of younger members, would deplete the funds and cause the other members of the society to suffer.

This adjustment is brought about by crediting to the societies a certain sum of money, varying in amount with the age of the member, in respect of every member over seventeen years of age. The result will be that a society will be equally solvent whatever the average age of its members may be, and consequently the benefits which a society may give to its members will not be liable to be upset in consequence of the high or low average of age of its members.

These reserve values are calculated in accordance with the Tables following :—

TABLE I. (MALE).

ENGLAND, SCOTLAND, AND WALES.

Age.	Reserve Value.	Age.	Reserve Value.
Employed and Voluntary Contributors.	£ s. d.	Employed and Voluntary Contributors— <i>cont.</i>	£ s. d.
16 and under 17 ...	Nil.	42 and under 43 ...	8 2 0
17 „ 18 ...	0 9 0	43 „ 44 ...	8 9 0
18 „ 19 ...	0 17 6	44 „ 45 ...	8 16 0
19 „ 20 ...	1 6 6		
20 „ 21 ...	1 15 0	Employed Contributors only.	
21 „ 22 ...	2 2 0	45 and under 46 ...	9 3 0
22 „ 23 ...	2 9 6	46 „ 47 ...	9 10 0
23 „ 24 ...	2 15 6	47 „ 48 ...	9 16 6
24 „ 25 ...	3 1 0	48 „ 49 ...	10 3 0
25 „ 26 ...	3 6 6	49 „ 50 ...	10 9 6
26 „ 27 ...	3 12 0	50 „ 51 ...	9 5 0
27 „ 28 ...	3 17 6	51 „ 52 ...	9 9 6
28 „ 29 ...	4 2 6	52 „ 53 ...	9 13 0
29 „ 30 ...	4 8 0	53 „ 54 ...	9 15 6
30 „ 31 ...	4 13 0	54 „ 55 ...	9 17 6
31 „ 32 ...	4 18 0	55 „ 56 ...	9 18 6
32 „ 33 ...	5 3 0	56 „ 57 ...	9 18 0
33 „ 34 ...	5 8 6	57 „ 58 ...	9 16 6
34 „ 35 ...	5 14 0	58 „ 59 ...	9 13 0
35 „ 36 ...	5 19 6	59 „ 60 ...	9 7 0
36 „ 37 ...	6 5 0	60 „ 61 ...	8 2 0
37 „ 38 ...	6 11 0	61 „ 62 ...	7 15 6
38 „ 39 ...	6 16 6	62 „ 63 ...	7 5 0
39 „ 40 ...	7 2 6	63 „ 64 ...	6 11 0
40 „ 41 ...	7 9 0	64 „ 65 ...	5 12 6
41 „ 42 ...	7 15 6		

IRELAND.

Age.			Reserve Value.	Age.			Reserve Value.
Employed and Voluntary Contributors.			£ s. d.	Employed and Voluntary Contributors—cont.			£ s. d.
16 and under 17	...	...	Nil	42 and under 43	...	...	7 15 6
17	„	18	0 9 0	43	„	44	8 2 0
18	„	19	0 17 6	44	„	45	8 8 6
19	„	20	1 6 6	Employed Contributors only.			
20	„	21	1 15 0	45 and under 46	...	...	8 15 0
21	„	22	2 2 0	46	„	47	9 1 6
22	„	23	2 8 6	47	„	48	9 8 0
23	„	24	2 14 6	48	„	49	9 14 0
24	„	25	3 0 0	49	„	50	9 19 6
25	„	26	3 5 6	50	„	51	8 15 0
26	„	27	3 10 6	51	„	52	8 19 0
27	„	28	3 15 6	52	„	53	9 2 0
28	„	29	4 0 6	53	„	54	9 3 6
29	„	30	4 5 6	54	„	55	9 5 0
30	„	31	4 10 6	55	„	56	9 5 6
31	„	32	4 15 0	56	„	57	9 4 6
32	„	33	5 0 0	57	„	58	9 2 0
33	„	34	5 5 0	58	„	59	8 17 6
34	„	35	5 10 0	59	„	60	8 11 0
35	„	36	5 15 0	60	„	61	7 5 0
36	„	37	6 0 6	61	„	62	6 17 6
37	„	38	6 6 0	62	„	63	6 6 6
38	„	39	6 11 6	63	„	64	5 12 0
39	„	40	6 17 0	64	„	65	4 12 6
40	„	41	7 3 0				
41	„	42	7 9 0				

TABLE II. (FEMALE).

ENGLAND, SCOTLAND, AND WALES.

Reserve Values.

Under age 45.

Age.			Employed and Voluntary Contributors. Spinsters and Widows.	Employed Contributors. Married Women.
			£ s. d.	£ s. d.
16 and under 17	...	...	Nil	Nil
17	„	18	0 5 0	7 12 6
18	„	19	0 10 0	7 4 6
19	„	20	0 15 6	6 16 6
20	„	21	1 0 6	6 10 6
21	„	22	1 5 0	6 6 0
22	„	23	1 9 0	6 3 0
23	„	24	1 13 0	6 1 6
24	„	25	1 17 6	6 0 6

ENGLAND, SCOTLAND, AND WALES—continued.

Age.					Employed and Voluntary Contributors. Spinsters and Widows.	Employed Contributors. Married Women.
					£ s. d.	£ s. d.
25 and under 26	...	...	...	...	2 2 6	6 0 0
26	„	27	...	...	2 7 6	6 0 6
27	„	28	...	...	2 13 0	6 1 6
28	„	29	...	...	2 19 0	6 3 0
29	„	30	...	...	3 5 0	6 4 6
30	„	31	...	...	3 12 0	6 6 6
31	„	32	...	...	3 19 0	6 9 0
32	„	33	...	...	4 6 0	6 11 6
33	„	34	...	...	4 13 6	6 14 6
34	„	35	...	...	5 1 0	6 17 6
35	„	36	...	...	5 9 0	7 1 0
36	„	37	...	...	5 17 0	7 4 6
37	„	38	...	...	6 4 6	7 8 6
38	„	39	...	...	6 12 6	7 12 6
39	„	40	...	...	7 0 0	7 17 0
40	„	41	...	...	7 8 0	8 2 0
41	„	42	...	...	7 16 0	8 7 0
42	„	43	...	...	8 3 6	8 13 0
43	„	44	...	...	8 11 0	8 19 0
44	„	45	...	...	8 19 0	9 5 0

ENGLAND, SCOTLAND, AND WALES.
Reserve Values.

Over age 45. Employed contributors only.

Age.					Spinsters and Widows.	Married Women.
					£ s. d.	£ s. d.
45 and under 46	...	...	...	...	9 6 6	9 11 6
46	„	47	...	...	9 13 6	9 18 0
47	„	48	...	...	10 0 6	10 4 6
48	„	49	...	...	10 7 0	10 10 6
49	„	50	...	...	10 12 6	10 16 0
50	„	51	...	...	10 3 6	10 6 0
51	„	52	...	...	10 7 6	10 10 0
52	„	53	...	...	10 11 0	10 13 0
53	„	54	...	...	10 13 6	10 15 0
54	„	55	...	...	10 15 0	10 16 6
55	„	56	...	...	10 15 6	10 17 0
56	„	57	...	...	10 15 0	10 16 0
57	„	58	...	...	10 12 0	10 13 0
58	„	59	...	...	10 7 6	10 8 0
59	„	60	...	...	10 0 6	10 1 0
60	„	61	...	...	9 7 6	9 8 0
61	„	62	...	...	8 16 6	8 17 0
62	„	63	...	...	8 2 0	8 2 0
63	„	64	...	...	7 3 6	7 3 6
64	„	65	...	...	6 0 0	6 0 0

IRELAND.

Reserve Values.

Under age 45.

Age.						Employed and Voluntary Contributors. Spinsters and Widows.	Employed Contributors. Married Women.
						£ s. d.	£ s. d.
16 and under	17	...	...	...	...	Nil	Nil
17	18	...	...	...	...	0 5 0	7 11 6
18	19	...	...	...	...	0 10 0	7 3 6
19	20	...	...	...	...	0 15 6	6 15 6
20	21	...	...	...	...	1 0 0	6 9 6
21	22	...	...	...	...	1 4 0	6 5 0
22	23	...	...	...	...	1 8 0	6 2 0
23	24	...	...	...	...	1 12 0	6 0 0
24	25	...	...	...	...	1 16 6	5 19 0
25	26	...	...	...	...	2 1 0	5 18 6
26	27	...	...	...	...	2 6 0	5 18 6
27	28	...	...	...	...	2 11 6	5 19 6
28	29	...	...	...	...	2 17 6	6 0 6
29	30	...	...	...	...	3 3 6	6 2 0
30	31	...	...	...	...	3 10 0	6 4 0
31	32	...	...	...	...	3 16 6	6 6 0
32	33	...	...	...	...	4 3 6	6 8 0
33	34	...	...	...	...	4 10 6	6 10 6
34	35	...	...	...	...	4 18 0	6 13 6
35	36	...	...	...	...	5 5 6	6 16 6
36	37	...	...	...	...	5 13 0	7 0 0
37	38	...	...	...	...	6 0 0	7 3 6
38	39	...	...	...	...	6 7 6	7 7 0
39	40	...	...	...	...	6 15 0	7 11 6
40	41	...	...	...	...	7 2 6	7 16 0
41	42	...	...	...	...	7 9 6	8 1 0
42	43	...	...	...	...	7 17 0	8 6 0
43	44	...	...	...	...	8 4 0	8 11 6
44	45	...	...	...	...	8 11 0	8 17 6

Over age 45. Employed contributors only.

Age.						Spinsters and Widows.	Married Women.
						£ s. d.	£ s. d.
45 and under	46	...	...	...	...	8 18 0	9 3 0
46	47	...	...	...	...	9 4 6	9 9 0
47	48	...	...	...	...	9 11 0	9 15 0
48	49	...	...	...	...	9 17 0	10 0 6
49	50	...	...	...	...	10 2 0	10 5 0
50	51	...	...	...	...	9 12 6	9 15 0
51	52	...	...	...	...	9 16 0	9 18 0
52	53	...	...	...	...	9 18 6	10 0 6

IRELAND—*continued.*

Age.					Spinsters and Widows.			Married Women.		
					£	s.	d.	£	s.	d.
53 and under 54	...	...	...	...	10	0	6	10	2	0
54	„	55	...	...	10	1	6	10	2	6
55	„	56	...	...	10	1	0	10	2	0
56	„	57	...	...	9	19	6	10	0	6
57	„	58	...	...	9	16	0	9	16	6
58	„	59	...	...	9	10	6	9	11	0
59	„	60	...	...	9	3	0	9	3	6
60	„	61	...	...	8	9	0	8	9	6
61	„	62	...	...	7	17	6	7	17	6
62	„	63	...	...	7	2	0	7	2	0
63	„	64	...	...	6	2	6	6	2	6
64	„	65	...	...	4	18	0	4	18	0

These reserve values are not mere paper debts, but form an actual money liability due from the Insurance Commission to the approved society. To liquidate this liability the Insurance Commissioners are entitled to retain out of each weekly payment paid by or in respect of an insured person the sum of one penny and five-ninths in the case of men, and one penny half-penny in the case of women.

II. *As to Transfer Values.*

By transfer value is meant the sum of money which a society is credited with when it takes over a member from another society. It is represented by the sum of money which equals the liability of the old society to the member who is transferring.

Such sum of money is to be calculated in accordance with Tables to be issued. Such Tables have not yet been published.

A transfer value is also credited to the account of a person who ceases to be a member of an approved society, and becomes a Post Office contributor.

The transfer value cannot be claimed if the person leaves his old society without the consent of such society. Such consent may not, however, be unreasonably withheld.

Transfer values will be credited in the case of transfer from one branch of an approved society to another branch.

Quest. (7) Can one transfer from an approved society to deposit insurance and *vice versa*? If a person does so transfer what is the position?

Ans. The Act provides, in such cases, as follows:—

(1) If an insured person, being a member of an approved society, ceases to be a member of that society, whether voluntarily or by expulsion, and fails to become within the prescribed time a member of another approved society, then—

(a) if he becomes a deposit contributor, his transfer value will be carried to his credit in the Post Office Fund: Provided that, if a reserve value has been credited to the society in respect of him, such part of that reserve value as is still outstanding (or if the amount so outstanding exceeds the transfer value such part of the reserve value as is equal to the transfer value) will be cancelled, and the amount, if any, by which the transfer value exceeds the amount so cancelled will be carried to the credit of the deposit contributor;

(b) if he does not become a deposit contributor, his transfer value will be carried to such account and dealt with in such manner as may be prescribed.

(2) If an insured person who is a deposit contributor subsequently becomes a member of an approved society for the purposes of this Part of this Act, there will be transferred to the society the amount standing to his credit in the Post Office Fund:

Provided that—

(a) if that amount exceeds the value of the contributions paid by or in respect of him estimated on the assumption that he had been a member of an approved society since his entry into insurance, the excess will not be transferred to the society but will be carried to the credit of the Post Office Fund;

(b) if that amount is less than such value, the insured person will be treated as being in arrear to the amount of the deficiency.

As to II. *Joining an Approved Society.*

Quest. (a) When should one join an approved society?

Ans. In all cases the insured person has until October 15th, 1912, before he need join. Further, as we have already noticed, a voluntary contributor has until January 15th, 1913, before the rate of contributions will be raised. It is also to be noticed that voluntary contributors must enter into insurance before January 15th, 1913, and employed contributors before July 15th, 1913, in order for them to have credited to their societies the full reserve values.

If a person becomes employed after the commencement of the Act he will be entitled to join an approved society on the most favourable terms any time before the expiration of three months from the time of his becoming employed.

In the case of an employed person who attains the age of sixteen after the commencement of the Act, any time before the expiration of three months from the date of his attaining that age.

In the case of a person who has been expelled or who has resigned from an approved society, any time before the expiration of three months from the date on which he ceases to be a member of the society.

Quest. (b) Who can become members of an approved society?

Ans. Generally speaking anybody of whatever age or sex who comes within the State scheme can join. This, however, is subject to the very serious modification that the society can insist on a medical examination. This will doubtless result in many persons who have some serious disorder being unable to enter any approved society; such persons must become Post Office contributors.

Although no society is permitted to refuse membership to a person solely on account of age, they may attach nearly any other qualification so long as it is a general

one. Thus some societies restrict their membership to a particular trade or to a particular locality.

Quest. (c) Has a person who is already a member of a Friendly Society got to apply for membership again ?

Ans. Yes. It will be noticed that the above form of application (which has been adopted by practically every approved society without substantial modification) refers to membership "for the purposes of the National Insurance Act." An old member would remain a member of the old society for the purposes of obtaining the old benefits without sending in a new form of application for membership, but if he wanted to make it his approved society for the purposes of benefiting under the State scheme he will have to rejoin.

Quest. (d) As regards the questions which the applicant for membership has to answer. What is the punishment if these questions are answered incorrectly ?

Ans. Apart from the rules of the approved society the Act provides that such a person if he *knowingly* makes a false statement or representation (which includes holding facts back as well as making false statements) shall be liable on summary conviction to imprisonment for a term not exceeding three months, with or without hard labour.

Further the rules of the society may (and usually do) provide for the punishment of any member who commits such a breach of the rules by fine (not exceeding 20s.), or suspension of benefits (not exceeding more than one year), or expulsion. In general the rules provide for the expulsion of a person who has become a member by misrepresentation. An expelled member is in a very serious position, since it would be almost impossible for him to join another society.

Subsidiary Questions.

Quest. (1°) What societies can become approved ?

Ans. Practically any body of men and women or either. It is not necessary that they should be solvent. It is not necessary that they should be numerous. A society composed of two persons could become approved if they so desired. If they have less than 5000 members they have to join with other societies for the purpose of making up the accounts (except in the case of employers' provident funds where the employers guarantee solvency or contribute largely (*i.e.* contribute at least a 1*d.* per week per insured person) to the funds).

A society which is carried on at a profit or for the purposes of gain may become approved, but in such a case it must create a separate section, *i.e.* what amounts to a new society, which shall not be carried on for the purposes of gain. Such separate section can then apply for and become approved.

A new society can be created for the purposes of becoming approved.

To give examples of the kind of societies which have become approved, we may mention friendly societies, assurance companies, trade unions, provident, dividing, and collecting societies, employers' provident funds, sick clubs, etc.

The only conditions which a society must satisfy are the following :—

(i) It must not be a society carried on for profit (but, as stated above, even in this case it may establish a separate section which may become approved).

(ii) Its constitution must provide to the satisfaction of the Insurance Commissioners for its affairs being subject to the absolute control of its members being insured persons or, if the rules of the society so provide, of its members, whether insured persons or not, including provision for the election and removal of the committee

of management or other governing body of the society, in the case of a society whose affairs are managed by delegates elected by members, by such delegates, and, in other cases, in such manner as will secure absolute control by its members ;

(iii) If the society has honorary members, its constitution must provide for excluding such honorary members from the right of voting in their capacity of members of the society on all questions and matters arising under Part I. of the Act.

Quest. (2°) Is it necessary for an old society which does not care to become approved to dissolve ?

Ans. No. The greatest uncertainty seems to exist in many quarters upon this point. The position may really be expressed as follows :—The National Insurance Act is designed to run side by side with the old Friendly Society work. This is one of the things which distinguishes our system from the German scheme. The Friendly Societies can continue their old work exactly as in the past ; they can also, if they care, administer the new benefits under the Act ; they can, if they desire, administer both the old and the new benefits.

If a society decides to have nothing to do with the Act, its position is not largely affected as regards its present members. Of course it will not attract many, if any, new members, but as regards its old members, they can continue on as heretofore, paying as before, and receiving the old benefits. It is to be observed, however, that if they fall within the State scheme, they will have to join some approved society for the purpose of receiving the benefits under the Act or they will have to become Post Office contributors.

It will be remembered that, although a person cannot join two societies for the purposes of the Act, he may be a member of as many societies as he cares to join for purposes outside the Act.

Quest. (3°) Can a registered Friendly Society which becomes approved under the Act reduce or alter the benefits which were previously payable to its old members in respect of a member who *does not* come within the State scheme (as being over seventy years of age or otherwise) ?

Ans. No. Such societies are entitled to submit a scheme which may provide for continuing, abolishing, reducing, or altering its old benefit as regards its old members where such old members *become insured persons under the Act*, but not otherwise.

Quest. (4°) When can the Commissioners withdraw their approval from an approved society ?

Ans. Where an approved society or a branch of any approved society fails to comply with any of the provisions or requirements of Part I. of the Act, relating to approved societies, or where such a society or branch or the body of which the society forms a separate section is convicted of any offence under any Act regulating its constitution or under any other Act.

Quest. (5°) What happens to the members where approval is withdrawn ?

Ans. The Commissioners are empowered to make any such provision as they may consider necessary with respect to such persons. They would most probably be given the option of transferring to another society of their own choice, and their full transfer values would be credited to such society.

Quest. (6°) In the case of a society with branches, are the funds of the branch distinct from the funds of the parent organization ?

Ans. Yes. It is also submitted that a branch can be separately valued, and in the case of a county association, etc., that the various small societies that are grouped together can be separately valued at different times.

For the complicated provisions relating to accounts, valuations, surpluses and deficiencies, and pooling arrangements, see Sections 35-41 of the Act.³

SECTION XIII.—HOW ARE THE BENEFITS ADMINISTERED ?

NOTE.—*In this section the way in which benefits may be claimed will be considered.*

The various benefits under this Part of the Act are all administered by one or other of two different bodies, viz.—

- (a) An approved society.
- (b) An insurance committee.

If the insured person is a member of an approved society he should apply to such approved society whenever he wants to claim any of the following benefits :—

- (1) Sickness benefit.
- (2) Disablement benefit.
- (3) Maternity benefit.

(4) Any additional benefits under the Act which the society may decide to give.

On the other hand, the insurance committee is the responsible authority in the case of—

- (a) Medical benefit.
- (b) Sanatorium benefit.

If the insured person is not a member of an approved society then, in all cases, an insurance committee is the responsible authority to apply to, unless an association of deposit contributors has been formed.

WHAT IS AN INSURANCE COMMITTEE ?

An insurance committee has been constituted for every county and county borough. Each such committee consists of members (varying in number between 40 and 80) composed as follows :—

(a) Three-fifths are representative of the insured persons resident within the county or county borough.

(b) One-fifth is appointed by the council of the county or county borough. Two at least are to be women.

(c) Two members represent the medical profession.

(d) One, two, or three members (according to the size of the committee) are doctors appointed by the council of the county or county borough.

(e) The remaining members are appointed by the Insurance Commissioners. One at least of these must be a medical practitioner and two at least must be women.

The above may be altered slightly where any part of the cost of medical or sanatorium benefit is charged on the county or borough rate.

These county insurance committees may delegate many of their powers and duties to smaller district insurance committees, who will then have to administer the appropriate benefits for the districts over which they have charge.

For the purpose of this book it may be sufficient to say that, roughly, these insurance committees have similar duties as regards medical and sanatorium benefit in all cases, and as regards all benefits in the case of deposit contributors to those which approved societies have as regards the other benefits in the case of their own members.

WHAT IS AN ASSOCIATION OF DEPOSIT CONTRIBUTORS?

It is possible for all or any of the insured persons resident within the same county who are from necessity or choice deposit contributors to join together into an association for the purpose of having the benefits created by the Act administered to them by such association.

The creation and management of such an association must be in accordance with regulations to be issued by the Insurance Commissioners. These regulations have not, as yet, been issued. It seems very unfortunate that even now, when the Act is in force, no attempt has apparently been made to enable these associations to be formed. The position of the deposit contributor is bad enough in any case, and there appears to be no

reason why it should not have been made a little better by the creation of these associations; for the present, however, their formation is practically impossible.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) How are Sickness, Disablement, and Maternity benefits claimed ?

Ans. It depends on whether he is a member of an approved society or a deposit contributor.

A. By a Member of an Approved Society.

Notice the following depends to some extent on the rules of the Society.

(a) Sickness and Disablement Benefit.

The insured member must send a notice of his illness to the secretary of the society or of the branch of society of which he is a member. The notice should be sent in on the form to be obtained from the secretary.

The notice should be sent as soon as possible after the commencement of the illness.

Most of the approved societies also require a medical certificate to accompany such declaring on note.

After receiving such declaring on note the society will send to the insured person the appropriate weekly sum calculated from the fourth day of illness or from the first day that he is entitled to receive the benefit.

These payments will be continued as a general rule for twenty-six weeks unless the insured person is, previously, sufficiently restored to health to be able to work. It is therefore evident that should the insured person become sufficiently well to be able to work it is his duty to inform his society of the fact. There are two great punishments attached to malingering. The first consists in this that the man who pretends to be ill after he is in fact well, though he might deceive the doctor, can hardly hope to deceive

his own friends and neighbours. Under the Act the number of benefits obtainable depends to a considerable extent on the healthiness of the members of any particular approved society. It is therefore not probable that his neighbours (who will doubtless be insured persons and probably members of the same society) will be pleased at seeing the benefits reduced through the fraud of a malingerer. Amongst all classes of persons the loss of respect of one's fellows is one of the greatest of punishments. The second punishment is more direct. Nearly every approved society has provided in its rules for expelling the malingerer. They may, alternatively, suspend benefits for a year. It need hardly be pointed out that a person so expelled may have very great difficulty in getting another society to admit him; he would, in fact, in most cases have to become a deposit contributor, and no deposit contributor will pretend to be ill, when in fact he is not, because when drawing sickness pay he is simply using up his own money.

Assuming, however, that the illness continues for twenty-six weeks, the right to sickness pay then comes to an end, and the right to disablement benefit commences. No fresh notice requesting disablement benefit need be sent in, the weekly amounts will simply be reduced, and will be called disablement instead of sickness benefit. These weekly payments will be continued as long as the insured is unfit to do any kind of work. When he is finally restored to health he must send a notification of the fact to the secretary of his society.

(b) Maternity Benefit.

Maternity benefit is a payment made to the husband to defray the expenses of child-birth. It is claimable by the husband, not the wife. Of course if the woman is a widow or unmarried she claims.

To claim it the husband, etc., must give notice to the committee of his society of the confinement of his wife within a certain number of days (differently fixed by

different societies) after it has taken place. He must be prepared to produce a copy of his marriage certificate to the committee if required so to do, and a certificate signed by the doctor or midwife by whom the confinement was attended.

There can only be a claim for maternity benefit if the woman has been pregnant for at least twenty-eight weeks.

The benefit may be in the form of cash or otherwise at the discretion of the committee of management, and part of it may be paid direct to the doctor or midwife attending the confinement.

The society may appoint visitors to visit women in respect of whom maternity benefit is payable. Such visitors must be women.

All applications for any of the above benefits should be made in the first place to the secretary of the approved society.

It is to be observed here that an approved society may, with the consent of the Insurance Commissioners, provide for the application of its existing rules or make new rules with regard to the manner and time of paying or distributing, and mode of calculating, benefits, suspension of benefits, notices and proof of disease or disablement, behaviour during disease or disablement, and the visiting of sick or disabled persons, and for the infliction and enforcement of penalties (whether by way of fines or suspension of benefits or otherwise) in the case of any member being an insured person who is guilty of any breach of any such rule, or of any imposition or attempted imposition in respect of any benefit under this Part of this Act, and may, from time to time with the like consent, alter or repeal any such rules; but—

(a) No fine imposed under any such rule may exceed ten shillings or, in the case of repeated breaches of rules, twenty shillings;

(b) no such rule may provide for the suspension of any benefit for a period exceeding one year;

- (c) every such rule relating to the visiting of insured persons by visitors appointed by the society must provide that women shall not be visited otherwise than by women ;
- (d) every such rule relating to behaviour during disease or disablement must be in the prescribed form ;
- (e) no such rule may prescribe any penalty, nor may any insured person be subject to any penalty, whether by suspension of benefit or otherwise, on account of the refusal by any such person to submit to a surgical operation, or vaccination, inoculation of any kind, unless such refusal in the case of a surgical operation of a minor character is considered by the society, or on appeal the Insurance Commissioners, unreasonable ;
- (f) no such rule may provide for inflicting as a penalty for breach of rules or imposition or attempted imposition on the part of an insured person suspension of maternity benefit in respect of the confinement of his wife, where his wife has not herself been guilty of any such breach, imposition, or attempted imposition.

B. By a Deposit Contributor.

The authority responsible for the administration of the above benefits to a deposit contributor is the County Insurance Committee. Such committee can delegate its duties to a local insurance committee or to an association of deposit contributors if such an association exists in the county.

Quest. (2) How are Medical and Sanatorium Benefits claimed ?

Ans. In all cases these benefits are to be administered by the County Insurance Committees, who in turn may delegate their duties to the local insurance committees.

A. *As to the Medical Benefit.*

Medical benefit comprises two different things:—

- (1) Medical attendance.
- (2) Supply of medicine, drugs, surgical appliances, etc.

We deal with these two things separately.

Firstly, *as to Medical Attendance.*

Each Insurance Committee is required to make arrangements with duly qualified medical practitioners for the administration of the medical benefits to insured persons. Any system which might be adopted must provide for securing the following things:—

- (a) the preparation and publication of lists of medical practitioners who have agreed to attend and treat insured persons whose medical benefit is administered by the committee;
- (b) a right on the part of any duly qualified medical practitioner who is desirous of being included in any such list as aforesaid of being so included, but, where the Insurance Commissioners, after such enquiry as may be prescribed, are satisfied that his continuance in the list would be prejudicial to the efficiency of the medical service of the insured, they may remove his name from the list;
- (c) a right on the part of any insured person of selecting, at such periods as may be prescribed, from the appropriate list the practitioner by whom he wishes to be attended and treated, and, subject to the consent of the practitioner so selected, of being attended and treated by him;
- (d) the distribution amongst, and, so far as practicable, under arrangements made by, the several practitioners whose names are on the lists, of the insured persons who after due notice have failed to make any selection, or

who have been refused by the practitioner whom they have selected ;

- (e) the provision of medical attendance and treatment, on the same terms as to remuneration as those arranged with respect to insured persons, to members of any friendly society which, or a separate section of which, becomes an approved society who were such members at the date of the passing of this Act, and who are not entitled to medical benefit under this Part of this Act by reason either that they are of the age of sixty-five or upwards at the date of the commencement of this Act, or that being subject to permanent disablement at that date they are not qualified to become insured persons :

It is to be observed here, in view of the attitude of the medical profession to the Act, that if it is found impossible to prepare suitable lists for any given area the Insurance Commissioners are empowered by the Act to administer this benefit in any other way the Insurance Commissioners may think fit, or failing any suitable arrangement by paying to each person who could otherwise claim medical benefit a sum equal to the estimated cost of his medical benefit during the period he requires treatment. It need hardly be pointed out, however, that any scheme of health insurance does really, in the last resort, depend upon the co-operation of the medical profession ; not only does the medical benefit require their immediate help but it would be practically impossible to work any of the other benefits unless the doctors are prepared to say when an insured person is ill enough to require sick pay, etc., and when they are well enough not to require sick pay. It is not too much to say that if the medical profession set their faces against the Act the whole scheme falls through unless a new branch of the public service is to be created to supply their place as regards the Act.

From the above it will be seen that lists of medical practitioners will be published for each area. Each insured person will be entitled to choose the medical practitioner he desires. The medical practitioner, on the other hand, will be entitled to refuse to attend such person. In this latter case the medical practitioner will attend who has been chosen for the purpose by the insurance committee and who has accepted.

The above is subject to this modification:—The Insurance Committee will require any persons whose income exceeds a limit to be fixed by the committee, and may allow any other persons, in lieu of receiving medical benefit under such arrangements as above, to make their own arrangements for receiving medical attendance and treatment (including medicines and appliances), and in such case the committee will, subject to the regulations, contribute from the funds out of which medical benefit is payable towards the cost of medical attendance and treatment (including medicines and appliances) for such persons sums not exceeding in the aggregate the amounts which the committee would otherwise have expended in providing medical benefit for them.

The result of the above is this, that persons whose income is above a certain limit to be fixed will have their own doctor and will pay him his ordinary fee, they in turn being paid by the Insurance Committee the amount the doctor would have been paid had he been one of the doctors on the list attending the person as an insured person under the Act. It may be that this power given to the Commissioners will enable them to come to terms with the profession.

Secondly, *as to the Supply of Drugs, etc.*

Each of the Insurance Committees is required by the Act to make provision for the supply of proper and sufficient drugs and medicines and prescribed appliances to insured persons in accordance with regulations made by the Insurance Commissioners, which shall provide for

the arrangements made being subject to the approval of the Insurance Commissioners and being such as to enable insured persons to obtain from any persons, firms, or bodies corporate with whom arrangements have been made such drugs, medicines, and appliances if ordered by the medical practitioner by whom they are attended.

Further, the Insurance Committee will—

(a) Prepare lists of persons who have agreed to supply drugs, medicines, and appliances to insured persons,

(b) Fix the scale of prices at which such things are to be supplied.

Every person who is capable of supplying such things efficiently is entitled to be placed on the above-mentioned list.

A medical practitioner cannot be placed upon the above list for the supply of drugs, etc.

Summary of the above.

If ill and requiring medical attendance, send for the doctor selected from the list ; or, if in receipt of a certain income, send for your own doctor.

If requiring drugs or appliances, inform local Insurance Committee, who will either obtain them direct from one of the selected firms or will authorize the purchase of them. In the latter case, purchase them as authorized from one of the firms on the list.

If requiring medicines, apply to a proper chemist whose name is on the list. The doctor attending will have to authorize the purchase.

At present it is impossible to give more detailed information. Very many regulations have yet to be published under the sections of the Act dealing with administration of benefits.

B. As to the Sanatorium Benefit.

No one will be entitled to receive sanatorium benefit unless and until recommended for it by the Insurance Committee for the area in which the insured resides. But

it must be remembered that this benefit can be extended to the dependants of insured persons.

Although this benefit is supposed to be claimable as from the commencement of the Act, in the absence of all regulations on the subject, it is impossible to speak with any accuracy as to how it is to be claimed.

It should be pointed out also that at present no sanatoria have been constructed for the special administration of these benefits; it is, however, possible, in accordance with the provisions of the Act, to administer the benefit in existing sanatoria or suitable institutions, or in the patients' own house, but even so it is necessary for the doctors to co-operate, and as yet there does not appear to be any very final agreement between the doctors and the authorities who are administering this Act.

Persons desiring to claim this benefit are advised to write to their county Insurance Committee upon the subject.

Quest. (3) In cases of doubt as to one's rights or position to whom does one apply?

Ans. Primarily to the County or County Borough Insurance Committee, but if a district committee has been formed then to such district committee in the first place.

Every dispute between an insured person and the Insurance Committee, relating to anything done or omitted by such person or the Insurance Committee, will be decided by the Insurance Commissioners.

The Insurance Commissioners may authorize referees appointed by them to decide any appeal or dispute submitted to the Insurance Commissioners.

The Insurance Commissioners may make regulations as to the procedure on any such appeal or dispute, and such regulations may apply any of the provisions of the Arbitration Act, 1889, but, except so far as it may be so applied, the Arbitration Act, 1889, will not apply, and

any decision given by the Insurance Commissioners or a referee under this section will be final and conclusive.

No such regulations as above mentioned have, as yet, been made.

Quest. (4) Can a person who has in the past been attended by a club doctor continue to be attended by such doctor in the future?

Ans. In the case of persons who are entitled to receive medical attendance and treatment under any system or through any institution existing at the time of the passing of this Act and approved by the Insurance Committee and the Insurance Commissioners, such medical attendance and treatment may be treated as, or as part of, their medical benefit under this Part of this Act, and may provide for the committee contributing towards the expenses thereof the whole or any part of the sums which would be contributed in the case of persons who have made their own arrangements as aforesaid, so, however, that such regulations shall secure that no person be deprived of his right, if he so elects, of selecting the duly qualified medical practitioner by whom he wishes to be attended and treated, in accordance with the foregoing provisions of this section.

The result of the above is that insured persons may continue to be attended by their old club doctor if they so desire, or they may choose another doctor from the list if they prefer it. Of course the doctors concerned must consent to attend.

Quest. (5) Who can dispense medicines under the Act?

Ans. The dispensing of medicines can only be undertaken by a chemist and druggist under the provisions of the Pharmacy Act, 1868, as amended by the Poisons and Pharmacy Act, 1908, who undertake that all medicines supplied by them to insured persons shall be dispensed either by or under the direct supervision of a registered pharmacist or by a person who, for three years immediately

prior to the passing of this Act, has acted as a dispenser to a duly qualified medical practitioner or a public institution; except that nothing is to interfere with the rights and privileges conferred by the Apothecaries Act, 1815, upon any person qualified under that Act to act as an assistant to any apothecary in compounding and dispensing medicines.

DIVISION E, SPECIAL CLASSES OF PERSONS

SECTION XIV.—WHAT IS THE POSITION OF MARRIED WOMEN?

A MARRIED woman who becomes an employed contributor after marriage is in practically the same position as an ordinary employed contributor. Apart from the fact that she is not entitled to draw maternity benefit as well as her husband, she may be regarded as the same as any other employed contributor. We shall not therefore consider this kind of case in the present section.

Where, however, she was an insured person *before* marriage, and ceases to be employed after marriage, the following rules apply:—

(1) She will be suspended from receiving the ordinary benefits under Part I. of the Act until the death of her husband.

(2) Where she is so suspended she may within one month of such suspension, and subject to the consent of her approved society, become a married woman voluntary contributor. See *infra*, Q. (a).

(3) If she does not become a voluntary contributor as in (2) she is entitled to have two-thirds of the amount standing to her credit at the time of suspension (or more correctly her transfer value) applied towards the payment of certain benefits. See *infra*, Q. (b).

(4) If her husband dies (and for the meaning of dies see *infra*, Q. (c), she may, *if she is qualified to become a voluntary contributor*, and elects to do so within one month after the death of her husband, become an ordinary voluntary contributor paying contributions at the rate which would have been applicable to the case had she become such a contributor at the date of her entry into insurance:

Provided that she may, whether or not so qualified, if she so elects within one month after the death of her husband, continue to be or become a voluntary contributor on the same terms and subject to the same conditions as above provided as respects married women.

In either such case there will be transferred from the married women's suspense account (see *infra*, *Quest. (d)*) to the society the proper reserve value.

(5) Where a woman who was a married woman at the commencement of the Act at any time subsequently either before or within one year after the death of her husband becomes an employed contributor and a member of an approved society, she will be entitled to full benefits, notwithstanding that at the time of so becoming she is of the age of seventeen or upwards.

(6) Where any arrears of contributions have accrued due in respect of a married woman during coverture such arrears will, on the death of her husband, be disregarded and she will be thenceforth entitled to benefits as if such arrears had never accrued due.

(7) A married woman is not entitled to be a voluntary contributor except as above stated. If she was a voluntary contributor before marriage she is not necessarily entitled to remain one after marriage.

(8) A married woman voluntary contributor (see (2), *supra*) is entitled, if subsequently she becomes an employed person, to a certificate of exemption exempting her from liability to become an employed contributor. It does not exempt her employer.

(9) Where a woman is a member of an approved society at the time when she is entitled to exercise an option under this section, it shall be the duty of the society to give her full information as to the nature of her rights.

There are certain other financial provisions relating to married women. These seem to be outside the scope of this book.

Notice that a married woman who is suspended from benefits is not permitted to become a married woman voluntary contributor *unless* she is a member of an approved society.

In the case of a married woman deposit contributor two-thirds of the sum standing to her credit in the Post Office Fund

will be applied in accordance with the regulations of the Insurance Commissioners towards the payment of any of the benefits following until the same is exhausted :—

Benefits for Married Women who do not become Voluntary Contributors at reduced rates.

Payment of the sum of 5s. a week on confinement during a period not exceeding four weeks on any one occasion.

Payments during any period of sickness or distress, subject to regulations made by the Insurance Commissioners and to the discretion of the society or committee administering the benefit.

It is also to be remembered that the rules of many approved societies require an insured woman member to give notice of her marriage to the secretary within fourteen days. Similarly, in the case of widowhood.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) What is the effect of becoming a married woman voluntary contributor ?

Ans. She is in the same position as an ordinary voluntary contributor subject to the following modifications :—

(a) The rate of contributions payable by her is threepence a week ;

(b) the benefits to which she shall be entitled are :—

(i) medical benefit ; and

(ii) sickness benefit and disablement benefit at the rates and subject to the conditions specified in Table D. of Part I. of the Fourth Schedule to the Act ;

(c) no part of her contributions are to be retained by the Insurance Commissioners for the purpose of discharging their liabilities to approved societies in respect of the reserve values created under the Act.

Table D. provides as follows :—

Rates and Conditions for Married Women.

Sickness benefit: during the first thirteen weeks, the sum of 5s. a week; during the second thirteen weeks, 3s. a week.

Disablement benefit: the sum of 3s. a week.

Sickness benefit and disablement benefit will not be payable during the two weeks before and four weeks after confinement, except in respect of a disease or disablement neither directly nor indirectly connected with childbirth.

Quest. (b) What are the benefits she is entitled to if she does not become a married woman voluntary contributor ?

Ans. Payment of the sum of 5s. a week on confinement during a period not exceeding four weeks on any one occasion. If the amount standing to her credit permits.

Payments during any period of sickness or distress, subject to regulations made by the Insurance Commissioners and to the discretion of the society or committee administering the benefit.

Quest. (c) What is the meaning of "dies" for the purposes of the Act ?

Ans. As regards a married woman her husband is regarded as having died if he has actually died (or if his death has been legally presumed), or if the marriage has been dissolved or annulled, or if she has been actually separated from or deserted by her husband for a period of at least two years. The putative death dates from the dissolution or annulment of marriage or from the expiration of two years as the case may be.

Quest. (d) What is the meaning of the married woman's suspense account ?

Ans. If the married woman is a member of an approved society at the time of her marriage (having been an insured person before her marriage), there will be owing

to her from such society a certain sum of money representing the liability of the society to her. Such sum is called a transfer value. It is to be calculated in accordance with tables which have not yet been issued.

Upon the woman's marriage she is suspended from ordinary benefits, but this transfer value is not absolutely lost to her since one-third of it is transferred to a fund quite separate from the funds of the approved society. This fund is known as the married woman's suspense account, and out of it will be paid all the benefits payable to her if she does not become a married woman voluntary contributor.

Quest. (e) For the purpose of paying off the liability which the Insurance Commissioners have undertaken by crediting approved societies with reserve values they are entitled to deduct out of each insured person's weekly contribution, $1\frac{5}{9}d.$ in the case of a man and $1\frac{1}{2}d.$ in the case of a woman. Can they deduct the latter amount from the contributions paid by a married woman voluntary contributor?

Ans. No. This is specially provided for by section 44 (2) (c) of the Act.

Quest. (f) To whom does a married woman who is not a member of an approved society apply in cases of doubt and difficulty?

Ans. The county Insurance Committee.

Quest. (g) What is the position of a married woman who was an insured person *before* marriage and who is employed *after* marriage and does not become a married woman voluntary contributor?

Ans. She is in the same position as an ordinary insured person, *i.e.* ordinary contributions again become payable in respect of her, and she ceases to be suspended from receiving ordinary benefits.

Quest. (h) What is the position in the case stated above if she does become a married woman voluntary contributor?

Ans. In such a case she has the option of obtaining a certificate of exemption. If she gets a certificate of exemption she is in the same position as a married woman voluntary contributor who is not employed after marriage. If she does not get a certificate of exemption she is in the same position as the married woman in Q. (g). As regards her employer, if she gets a certificate of exemption he contributes the employer's share, if she does not get a certificate of exemption he pays both the employer's and employee's contribution and deducts the latter from wages.

Quest. (i) What is the position when the husband dies?

Ans. She is entitled to become an ordinary voluntary contributor at reduced rates. That is to say, if she was eighteen when she first became an insured person (*i.e.* before marriage) and forty-five when her husband died she pays the contribution as a voluntary contributor *as if she were eighteen*, although she becomes a voluntary contributor at the age of forty-five. For the scale of rates in the case of a woman voluntary contributor, see *supra*, Section IX.

To claim this advantage two conditions must be fulfilled:—

- (1) She must have been a member of an approved society when suspended, *i.e.* when married.
- (2) She must elect to become a voluntary contributor within one month of her husband's death.

SECTION XV.—WHAT IS THE POSITION OF ALIENS?

THE Act applies to aliens who are employed within the meaning of the Act of whatever sex and whether permanently or only temporarily resident within the United Kingdom. Of course, persons naturalized are treated as British subjects and not as aliens. Further, a woman who, having been a British subject before marriage, has ceased to be a British subject by reason of marriage with a person not being a British subject, is not subject to the provisions of the Act relating to aliens if her husband is dead, or the marriage has been dissolved or annulled, or she has for a period of not less than two years been actually separated from or deserted by her husband.

Although the Act applies to aliens their position is exceptional in the following particulars:—

(a) No such person will be qualified to become a member of an approved society for the purposes of this Part of the Act, except upon the terms and subject to the conditions mentioned below.

(b) No part of the benefits to which such persons may become entitled will be paid out of moneys provided by Parliament;

(c) The rate of sickness, disablement, and maternity benefit will, as respects a deposit contributor, be reduced, in the case of men, to seven-ninths, or in the case of women to three-quarters, of the rate to which they would otherwise be entitled under Part I. of the Act;

(d) No part of the sums payable in respect of such persons for medical benefit and sanatorium benefit or towards the expenses of administration of benefits will, in the case of such persons, be paid out of moneys provided by Parliament.

When an alien does become a member of an approved society the following special conditions apply:—

(i) The contributions payable by or in respect of such person are credited to the society;

(ii) The society will in each year pay to the Insurance Committee the whole of the sums payable in respect of such person for medical benefit and sanatorium benefit;

(iii) The rate and conditions of sickness benefit, and disablement benefit, and maternity benefit *will be such as may be determined by the society*;

(iv) Such person will not be deemed to have joined an approved society for the purposes of the provisions of Part I. of the Act relating to reserve values, and no part of the contributions of such person will be retained by the Insurance Commissioners towards the discharge of their liabilities in respect of reserve values.

NOTE.—The above exceptional provisions do not apply to any person who, on the fourth day of May nineteen hundred and eleven, was a member of a society which, or a separate section of which, becomes an approved society, and had then been resident in the United Kingdom for five years or upwards, or to any person who is transferred to an approved society or the Post Office Fund in pursuance of an arrangement with the Government of any foreign state.

Neither do these particular provisions apply if the alien insured person is under seventeen at the date of entry into insurance.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) Can an alien join an approved society as easily as a British subject?

Ans. Yes; there is no condition attached as to *joining*. He can apply to any society which admits aliens to membership. When he has joined he will be subject to the conditions above mentioned.

Quest. (b) What benefits are given ?

Ans. (a) In case of deposit contributors : See above, Exceptional particulars (c).

(b) In case of members of approved societies : Such benefits as the society determines.

The Insurance Commissioners have suggested to societies that they should give the following benefits :—

Age at entry to the Society.					Sickness Benefit. Rate per week.	Disablement Benefit. Rate per week.	Maternity Benefit.		
					s. d.	s. d.	£	s.	d.
17 and under 19	...	...	...	...	9 6	4 9	1	8	6
19	„	21	...	...	9 0	4 6	1	7	0
21	„	25	...	...	8 6	4 3	1	5	6
25	„	30	...	...	7 6	3 9	1	2	6
30	„	35	...	...	7 0	3 6	1	1	0
35	„	40	...	...	6 0	3 0	1	0	0
40	„	45	...	...	5 6	2 9	1	0	0
45	„	50	...	...	4 6	2 3	1	0	0
50	„	55	...	...	3 6	1 9	1	0	0
55	„	60	...	...	2 6*	1 3†	1	0	0
60	„	65	...	...	2 0*	1 0†	1	0	0

* In Ireland, 3s.

† In Ireland, 1s. 6d.

As regards medical and sanatorium benefits aliens in cases (a) and (b) obtain the same benefits as British subjects apparently, but this is doubtful.

Quest. (c) What is meant when it is said that no part of the benefits shall be paid out of moneys provided by Parliament ?

Ans. In the case of British subjects, in the normal case, 2d. a week is added by the State to the 7d. paid in respect of the insured person by the employer. In the case of aliens this 2d. is not added. Consequently the benefits payable are less in the case of aliens than in the case of British subjects.

Quest. (d) Can aliens become voluntary contributors ?

Ans. Yes.

Quest. (e) What happens to the alien's contributions when the alien leaves this country ?

Ans. The Act provides for such cases as follows :—

If an insured person ceases to be permanently resident in the United Kingdom and becomes a member of any society or institution established in a British possession or foreign country, of a kind similar to an approved society, which is approved by the Insurance Commissioners, or of any branch established outside the United Kingdom of an approved society, the transfer value of such person, or, in the case of a deposit contributor, the amount standing to his credit in the Post Office Fund, shall be paid to such society or institution or branch ; but no such payment shall be made, unless the Insurance Commissioners are satisfied that the society, institution, or branch in question gives corresponding rights to any of its members becoming resident in the United Kingdom.

Where an arrangement has been made with the Government of any British possession or with the Government of any foreign State, whereby insured persons may be transferred to a society or institution established in the British possession or foreign State similar to an approved society or the Post Office Fund, and members of any such society or institution may be transferred to approved societies or to the Post Office Fund, it shall be lawful for the Insurance Commissioners to make such arrangements as may be necessary for any such transfer as aforesaid, and for the determination of the amount to be transferred in any such case, and of the rights to which any person transferred is to be entitled ; so, however, that nothing in this section shall affect the rights of a society under this Part of this Act to refuse applications for membership.

The above applies, of course, to British subjects as well as aliens.

If the insured person is going to a foreign country where no system of insurance is in existence or to which

the above provisions are not applicable he may still, if a deposit contributor, demand the payment to him of four-sevenths (or in the case of a woman, one-half) of the amount standing to his credit in the Post Office Fund. Before he may successfully make this claim he must, however, prove to the satisfaction of the Insurance Committee for his county of residence that he has permanently ceased to reside in the United Kingdom.

Quest. (f) Have aliens any reserve value credited to their approved society in respect of them?

Ans. No. The benefits paid to aliens are not at a flat rate but vary with the age at the time of entering into insurance. No reserve value is credited, and consequently the Insurance Commissioners are not entitled to deduct anything from their weekly contribution for the purpose of meeting the liability incurred in respect of reserve values.

Quest. (g) What is the position of a woman who, though born a British subject, has married a German, if such German has been out of England for three years, the wife remaining in England?

Ans. She is a German, but for the purposes of the Act is treated as a British subject since she has been actually separated from her husband for more than two years. "Actual" separation is all that is required, not judicial separation.

SECTION XVI.—WHAT IS THE POSITION OF PERSONS OVER SIXTY-FIVE YEARS OF AGE AT THE COMMENCEMENT OF THE ACT? - - - - -	147

As regards such persons the Act provides as follows:—

If any person who is of the age of sixty-five or upwards and under the age of seventy *at the commencement* of this Act is employed within the meaning of Part I. of the Act, the like contributions shall, until he attains the age of seventy, be payable by his employer in respect of him as in the case of employed contributors, and the provisions of Part I. of the Act relating to the payments of contributions and the recovery thereof shall apply accordingly.

For every weekly contribution made by or in respect of such a person, there shall be contributed out of moneys provided by Parliament the sum of two pence.

If such a person becomes a member of an approved society for the purposes of this section all contributions payable in respect of him under this section (including contributions out of moneys provided by Parliament) shall be credited to the society, and *he shall become entitled to such benefits as the society may determine*, but no reserve value shall be credited to the society in respect of him and no part of the contributions payable in respect of him shall be retained by the Insurance Commissioners towards the discharge of their liabilities in respect of reserve values.

If such a person does not become a member of an approved society as aforesaid he shall become a deposit contributor, and accordingly all contributions payable in respect of him (including contributions out of moneys provided by Parliament) shall be carried to his credit in the Post Office Fund, but

the benefits to which he becomes entitled shall be such as may be determined by the Insurance Committee.

No part of the cost of benefits under this section shall be payable out of moneys provided by Parliament.

If a person who has not previously been insured under the Act attains the age of sixty-five after the commencement of the Act, he is not capable of being insured under the Act even if he is employed within the meaning of the Act, but in the latter case, his employer is liable to pay the like contributions as would have been payable as employer's contributions if such person had been an employed contributor.

If the person has previously been insured under the Act, the fact that he reaches the age of sixty-five makes no difference to his position.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) How does the employer know whether his employee is over sixty-five or not?

Ans. It is not in general necessary for the employer to know. The employer pays the same contributions in respect of a person who is sixty-five at the date of the commencement of the Act as he does in ordinary cases. In the case of a person both reaching the age of sixty-five and becoming employed after the commencement of the Act, it is necessary for the master to know whether he is sixty-five or not, because if he is under sixty-five in a normal case the master contributes 7*d.*, and if he is over sixty-five (when he becomes employed subsequently to the commencement of the Act) the master contributes 3*d.* In such a case the master might require the workman to produce a birth certificate.

Quest. (b) Can a master demand the production of a birth certificate from all or any of his present employees?

No. The age of the employee is only of interest to the employer (as regards the Act) in the case of youths, *i.e.* it might be necessary for a youth to show that he was

under sixteen. As regards an old man who was employed at the commencement of the Act his age makes no difference to the employer. In the case of an old workman who seeks employment for the first time after the Act, the employer may demand production of his birth certificate for the purpose of ascertaining whether he is over or under sixty-five and, it is submitted that, he can ask for this production in the case of a man who is obviously under sixty-five, e.g. in the case of a man whose real age is only forty.

Quest. (c) How does the approved society find out whether the person employed is over sixty-five or not?

Ans. Subject to the rules of the particular society it would generally discover the age of its members by the answers which the applicant for membership is required to give on the application form. The approved society is also entitled to call for a birth certificate to substantiate answers given on this point. It will be remembered that these birth certificates can be obtained for 6d.

Quest. (d) How does the employer recover the contributions paid by him in respect of a person over sixty-five years of age?

Ans. In exactly the same way as if the employee was under sixty-five.

Quest. (e) What benefits are persons over sixty-five at the commencement of the Act entitled to?

Ans. Just such benefits as their approved society has decided they are to have. The approved society must, however, exercise a quasi-judicial discretion in the matter, i.e. they must give him fair benefits. The Insurance Commissioners have issued a circular (A. S. 29), suggesting two alternative benefits. One is calculated at a flat rate, i.e. all members between sixty-five and seventy get the same sickness benefit. The other gives a different rate of benefit according to the age of the members. The

former has been largely adopted. According to it the rate of sickness benefit is as follows:—

ENGLAND, SCOTLAND, AND WALES.

Men.		Women.	
First 13 weeks of Sickness.	Second 13 weeks of Sickness.	First 13 weeks of Sickness.	Second 13 weeks of Sickness.
s. d. 6 0	s. d. 5 0	s. d. 5 0	s. d. 4 0

IRELAND.

s. d. 5 0	s. d. 4 0	s. d. 4 6	s. d. 3 6
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Quest. (f) What benefits are persons entitled to who reach the age of sixty-five after the commencement of the Act and who become employed within the meaning of the Act after reaching the age of sixty-five ?

Ans. None, although their employer is bound to pay his (the employer's) share of the contribution in respect of such persons.

Quest. (g) To whom do these contributions go if the employee gets no benefits ?

Ans. Such contributions will be carried to such account and dealt with in such manner as may be prescribed by regulations made by the Insurance Commissioners. No such regulations have yet been issued. The employee in such a case could not get any advantage out of them, as section 4 (4) does not provide for this case.

Quest. (h) What is the purpose of putting in this special provision for a parliamentary grant of 2*d.* per week per person ? Is not this grant always made ?

Ans. As a rule the State 2*d.* goes to swell the fund out of which benefits are to be paid. This 2*d.* we are now considering goes to swell the fund into which contributions are to be paid. It is to be remembered that a

society can decide what benefits are to be paid in the case of persons over sixty-five. It is therefore obvious that there is a clear distinction between these two funds in the case under consideration. In effect the approved society can capture the State 2*d.* for its other members, it is not bound to pay it out as benefits to those of its members who are over sixty-five, although it was paid in in respect of such members.

Quest. (i) Why is no reserve value credited to a society in respect of a person over sixty-five?

Ans. The purpose of the reserve value is to enable societies to give the statutory flat rate of benefits to all its members whatever their age. In the case of persons over sixty-five at the commencement of the Act there is no statutory flat rate, and, consequently, no need for a reserve value. In consequence of there being no reserve value the approved societies will not, of course, be able to give as good benefits as they would if there was a reserve value; on the other hand, the Insurance Commissioners are not entitled to deduct from the contributions paid in anything in respect of reserve values as they are in the ordinary case.

Quest. (j) What is the position if such a person does not join an approved society?

Ans. He becomes a deposit contributor and receives such benefits as the Insurance Committee for his county may determine. No tables have been issued by or on behalf of such committees yet. His benefits would almost certainly be less than those given if he was a member of an approved society.

Quest. (k) Can an approved society refuse to have him because of his age?

Ans. No. An approved society can attach any condition they like to membership except that of age.

SECTION XVII.—WHAT IS THE POSITION OF TEACHERS? - -	152
UNDER THE ACT?

ORDINARY private school teachers are, as we have seen, in exactly the same position as other employed persons under the Act, *i.e.* they must be compulsorily insured.

Elementary school teachers, if certificated, *i.e.* if the Elementary School Teachers (Superannuation) Act, 1898, applies to them, are excepted from the compulsory part of the Act, but being persons who earn their own living they may become voluntary contributors.

There remains, however, a large intermediate class, *viz.* pupil teachers and other teachers who start by being insured persons and later become excepted persons by reason of the fact that they come within the Elementary School Teachers (Superannuation) Act, 1898. It is clear that some provisions must be made dealing with the contributions which such persons have paid (while pupil teachers, etc.) after they become excepted from the operation of the Act.

On this subject the Act provides as follows:—

Where a person who has been employed to teach in a public elementary school ceases to be employed within the meaning of Part I. of the Act by reason of becoming a teacher to whom the Elementary School Teachers (Superannuation) Act, 1898, applies and does not become a voluntary contributor, there shall be paid to the Board of Education by the approved society of which he is a member or, if he is not a member of an approved society, out of the amount standing to his credit in the Post Office Fund, a sum equal to the value calculated in the prescribed manner of the contributions paid by or in respect of him under this Part of this Act since he first began to teach in a public

elementary school, or, if the amount standing to his credit is less than that sum, then the whole amount so standing to his credit; and the sum so paid to the Board of Education shall be placed by them to his credit in the Deferred Annuity fund in accordance with the rules for the time being applicable thereto.

Note the above refers to teachers in English elementary schools. In the case of Scotland references to the Elementary School Teachers' Superannuation Act, 1898, to the deferred annuity fund under that Act, and to the Board of Education, must be read respectively, as references to section 14 of the Education (Scotland) Act, 1908, and a scheme thereunder, to the Scottish Teachers' Superannuation Fund, and to the Scotch Education Department. In the case of Ireland, references to the Board of Education, to the Elementary School Teachers (Superannuation) Act, 1898, and to a public elementary school must respectively be read as references to the Superintendent of the Teachers' Pension Office, to the National School Teachers (Ireland) Act, 1879, and to a national school, and any sums paid to the Superintendent of the Teachers' Pension Office in pursuance of the provisions above mentioned will be carried to the Pension Fund established under the last-mentioned Act and will be dealt with in accordance with rules under that Act.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) Who comes under the Elementary School Teachers' Superannuation Act, 1898?

Ans. Every teacher certificated after the passing of that Act and those previously certificated who have elected to come under the scheme.

Certificated teachers are those teachers who are recognized under the Education Code as certificated teachers for public elementary schools.

Quest. (2) Is the amount which is to be transferred to the Board of Education the same thing as a transfer value?

Ans. No. Transfer values represent the liability of the society to the member under the Act, they are calculated in accordance with tables to be issued. The amount to be transferred to the Board of Education is represented by the difference between the capital value of the contributions paid in since *he first began to teach in a public elementary school* and the benefits paid out. It differs from a transfer value chiefly in this that it is to be calculated arbitrarily and separately in each case.

Quest. (3) What does the Board of Education do with the sum so transferred to it?

Ans. They pay it to the Deferred Annuity Fund to the account of the person who is being transferred. The Deferred Annuity Fund is a fund out of which superannuation benefits are paid to teachers. Apart from the Insurance Act the value of the annuity receivable by any particular teacher depends to some extent upon the amount of the contributions paid by him to this fund. The sums transferred to the Board of Education under the Insurance Act, in the cases above mentioned, will count as contributions and consequently will go to swell the amount of the person's annuity in respect of whom they are made.

Quest. (4) Do these special provisions apply if a teacher in a private school subsequently becomes a certificated teacher in an elementary school?

Ans. Yes. They apply when any insured person, whether a teacher or not subsequently to the commencement of the Act, becomes a certificated teacher. But see italicised part of answer (2), *supra*.

Quest. (5) What is the position of a teacher in a secondary school?

Ans. If employed within the meaning of the Act (*i.e.* in general, if their rate of remuneration is less than £160 per annum) they are in exactly the same position as any other compulsorily employed person.

Quest. (6) What is the position of a pupil teacher?

Ans. It is submitted that a pupil teacher is under a contract of apprenticeship, they are therefore compulsorily insured under the Act in exactly the same way as other persons if they are in receipt of any money payment in respect of their employment as pupil teachers. They are, however, in a slightly anomalous position since when they become certificated teachers all the above peculiar provisions apply, *i.e.* they cease to be insured persons and the contributions they have paid under the Act are transferred to their superannuation fund.

Quest. (7) What is the position of a visiting teacher?

Ans. If under the direction of the principal, etc., liable to be insured. If teaching for a fee in their own manner and at a time they can fix, they are not employed persons within the meaning of the Act, and consequently are excepted from insurance.

SECTION XVIII.—WHAT IS THE POSITION OF PERSONS IN THE
NAVAL AND MILITARY SERVICE OF THE CROWN?

Two different kinds of cases must be observed. Before we consider these it is to be noted that in all cases $1\frac{1}{2}d.$ per week is to be reduced from the pay of the persons we are now considering, and $1\frac{1}{2}d.$ is to be paid per week by the Admiralty or Army Council as the case may be in respect of such persons as are members of approved societies. If they are deposit contributors such sum is to be paid as shall be fixed.

The two cases above mentioned depend upon whether the soldier, etc., is a member of an approved society or not.

I. If he is a member of an approved society the following special provisions apply :

- (i) The employed rate will be three pence, and the deductions made from his pay and the contributions made in respect of him by the Admiralty or Army Council will be treated as the contributions paid in respect of him ;
- (ii) He will not be entitled to medical benefit, sanatorium benefit, sickness benefit, or disablement benefit ;
- (iii) Maternity benefit will be payable, notwithstanding that both he and his wife are resident outside the United Kingdom at the date of the confinement, and the society may arrange with the Admiralty or Army Council for the administration of the benefit through the Admiralty or Army Council ;
- (iv) The sum to be retained out of each weekly contribution by the Insurance Commissioners towards the discharge of their liabilities in respect of reserve values will be one penny, and the remaining five-ninths of a penny

will be paid out of the Navy and Army Insurance Fund.

The above provisions only apply until discharge.

II. If he does not join an approved society the following special provisions apply:—

- (a) The sums deducted and the contributions made as above mentioned in respect of such men will be paid into the National Health Insurance Fund, and out of such sums there will be retained by the Insurance Commissioners towards discharging their liabilities in respect of the reserve values created under this Part of this Act the same amount as if such men were members of approved societies, and the balance will be credited to a special fund to be called the Navy and Army Insurance Fund:
- (b) There will also be paid into the Navy and Army Insurance Fund in each year out of moneys provided by Parliament a sum equal to two-ninths of the amount, calculated in the prescribed manner, which would have been payable in that year in respect of medical, sanatorium, sickness, and disablement benefits (including expenses of administration) had all seamen, marines, and soldiers from whose pay deductions are made under this section been members of approved societies and entitled to such benefits as employed contributors:
- (c) The weekly contributions to be made by the Admiralty and Army Council in respect of such men will be such as may from time to time be required to keep the Navy and Army Insurance Fund solvent:
- (d) If any such man was at the date of his entry or enlistment a deposit contributor, he will, for the purpose of dealings with the sum standing to his credit in the Post Office Fund, be treated as if the Navy and Army Insurance Fund had been an approved society, and he had at the date of his entry or enlistment become a member of that society:

- (e) In the case of a seaman, marine, or soldier serving at the commencement of this Act, there will be credited to the Navy and Army Insurance Fund such reserve value as would have been credited to an approved society had he at that date become a member of the society as an employed contributor. No such reserve value will, however, be credited to that fund if at the date aforesaid he had completed the period of his first engagement and had re-engaged for pension, unless he elects to have deductions made from his pay, or unless, not having so elected, he becomes on discharge entitled to benefits payable out of that fund :
- (f) Every such man will, until discharged, be entitled to maternity benefit payable out of the Navy and Army Insurance Fund, and will be entitled to such benefit, notwithstanding that both he and his wife are at the date of the confinement resident outside the United Kingdom, and the benefit will be administered by the Admiralty and Army Council either directly or through insurance committees :
- (g) On the discharge of a seaman, marine, or soldier, from whose pay deductions have been made and continue to be made up to the date of his discharge, there shall be debited to the Navy and Army Insurance Fund, and, if he becomes a member of an approved society within the prescribed time from his discharge, there will be credited to that society, or, if he does not become a member of such a society within the prescribed time from his discharge, there will, unless he becomes entitled to benefits out of the Navy and Army Insurance Fund as hereinafter mentioned, be carried to his credit in the Post Office Fund the transfer value which would have been payable in respect of him had he been a member of an approved society throughout his period of service, or, in the case of a man serving at the date of the commencement of this Act, since that date, and, if he becomes a deposit

contributor, so much of the reserve value, if any, credited to the Navy and Army Insurance Fund in respect of him will be cancelled as would have been cancelled had he been transferred from an approved society to the Post Office Fund:

- (h) A man discharged from service as a seaman, marine, or soldier who proves that the state of his health is such that he cannot obtain admission to an approved society may, if he so elects, on making application to the Insurance Commissioners in the prescribed manner within three months of his discharge, or such longer time as may be prescribed, become, subject to regulations made by the Insurance Commissioners after consultation with the Admiralty and Army Council, entitled to benefits (other than additional benefits) provided under Part I. of the Act at the full rate, the cost of which benefits will be payable out of the Army and Navy Insurance Fund, and such benefits will be administered by insurance committees or otherwise in such manner as may be prescribed, and any contributions paid under Part I. of the Act by or in respect of him will be paid into that fund:

Provided that—

(i) no deduction from benefits will be made on account of any pension to which a man may be entitled;

(ii) the rate of sickness benefit will be reduced, in the case of a man who entered into insurance when of the age of seventeen or upwards or who is in arrears, to the like extent as it would be reduced had he been an employed contributor and a member of an approved society who entered into insurance at the like age or who is in arrears to the like extent, so however that the rate of sickness benefit shall in no case be reduced below 5s. a week;

(iii) there will in each year be paid to the

Navy and Army Insurance Fund, out of moneys provided by Parliament, a sum equal to two-ninths of the amount expended out of the fund on such benefits as aforesaid, including the expenses of administration ;

(iv) if a man who is so entitled to benefits payable out of the Navy and Army Insurance Fund at any time becomes a member of an approved society for the purposes of Part I. of the Act, he will cease to be entitled to benefits payable out of that fund, and there will be debited to that fund and credited to such society the transfer value which would have been so debited and credited if he had been at that time transferred from one approved society to another approved society.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) Who come within the above provisions ?

Ans. The following :—

(a) All soldiers of the regular forces other than soldiers of the Indian forces and Royal Malta Artillery and native soldiers of regiments raised outside the United Kingdom.

(b) All seamen and marines who are regarded as such for the purposes of the Naval and Marine Pay and Pensions Act, 1865.

(c) Naval and Army Reservists when called out for service.

(d) Territorials when called out on embodiment.

Quest. (2) What benefits do such persons receive ?

Ans. During service such persons are only entitled to maternity benefit in respect of the confinement of their wives. This is payable though both he and his wife are abroad at the time of the confinement.

On discharge he is entitled to the same benefits as an ordinary employed contributor.

If such a person is a member of an approved society he may also be entitled to any of the additional benefits given by such society, but not to substituted benefits.

Quest. (3) What is the Navy and Army Insurance Fund ?

Ans. This fund is made up of—

(1) The contributions paid by the men and the Admiralty (or Army Council as the case may be) in respect of all men who insure through this fund, less the deductions which the Insurance Commissioners are entitled to make. These deductions are as follows:—
 $1\frac{5}{9}d.$ per week in respect of men to meet the liability incurred in respect of reserve values; $\frac{5}{9}d.$ per week in respect of soldiers, etc., who insure through this fund, who are members of approved societies.

(2) Parliamentary grants are of two kinds:

(a) An annual grant equal to two-ninths of the amount which would have been payable in benefits had the seamen, etc., been paid the ordinary benefits.

(b) A grant equal to two-ninths of the amount paid out in maternity benefits and in administration.

(3) The contributions paid in by men who have got their discharge and who are unable to obtain admission to an approved society on account of their health.

Quest. (4) What is the position if the man insures through the Navy and Army Insurance Fund ?

Ans. There are two differences from the other cases:

(1) the Admiralty and Army Council do not contribute $1\frac{1}{2}d.$ a week per man, but they contribute such sum as is necessary to keep the fund solvent. (2) The only benefit a man on service who insures through this fund can get is maternity benefit; in this his position is the same as if

he were an ordinary Post Office contributor, save that he is *insured*. The member who joins an approved society may also get additional benefits. Such persons would be well advised to join approved societies.

Quest. (5) What happens to the money an insured person has paid into the Army and Navy Insurance Fund when the man gets his discharge?

Ans. (a) If he joins an approved society:

The society is credited with his transfer value just as if he were transferring from one society to another instead of from the Army and Navy Insurance Fund to an approved society.

(b) If he becomes a Post Office contributor:

He will be credited in his account with the Post Office Fund with a like transfer value; but the reserve value, if any, credited to the Army and Navy Insurance Fund in respect of him will be cancelled.

Quest. (6) Can such a man remain on the Army and Navy Insurance Fund after discharge?

Ans. Yes, if he proves that his state of health is such that he cannot obtain admission to an approved society. But he must apply to the Insurance Commissioners within three months of discharge in order to be allowed to remain on.

Quest. (7) What benefits does he get if he remains on after discharge?

Ans. The full ordinary benefits, but no additional benefits.

Quest. (8) Which are the best ways of obtaining benefits?

Ans. The person we are now considering has three alternatives: he can join an approved society; he can be insured through the Army and Navy Insurance Fund;

(after discharge) he can become a Post Office contributor. Of these three the first is the most advantageous and the third is the least advantageous.

Quest. (9) Does a soldier have a reserve value credited to him if he is not a member of an approved society ?

Ans. Yes. At least where such a person was serving at the commencement of the Act there will be credited in respect of him a reserve value to the Army and Navy Insurance Fund. Such reserve value will be equal to that which would have been credited to his approved society had he joined one.

Quest. (10) How does the soldier, etc., make his contributions ?

Ans. The contributions are made for him. They are simply deducted from his pay. He will receive contribution cards, etc., exactly as if he were an ordinary insured person.

SECTION XIX.—WHAT IS THE POSITION OF MEMBERS OF THE
MERCANTILE MARINE?

IN the case of masters, seamen, and apprentices to the sea service and the sea fishing service the following special provisions apply:—

(1) Neither sickness benefit nor disablement benefit will be paid to a master, seaman, or apprentice suffering from any disease or disablement in respect of any period during which the owner of the ship is liable to defray the expense of the necessary surgical and medical advice and attendance and medicine, and of his maintenance:

(2) In the case of masters, seamen, and apprentices serving on foreign-going British ships or British ships engaged in regular trade on foreign stations, the employed rate and the employer's contributions will each be reduced by one penny a week, and every four weekly contributions paid in any calendar year by a master, seaman, or apprentice whilst serving on such a ship will, for the purposes of determining the number of contributions to be paid by him in that year and for the purposes of calculating arrears, be treated as five such contributions:

Provided that—

(a) Nothing in (2) will affect the number of employer's contributions to be paid in respect of such a master, seaman, or apprentice, but no employer's contributions paid in respect of any week in respect of which no contribution is payable by the master, seaman, or apprentice may be taken into account in reckoning the amount of his arrears;

(b) There will be credited to the approved society of which the master, seaman, or apprentice is a

member, or, if he is a deposit contributor, to his account in the Post Office Fund, a sum equal to two-fifths of the amount of the contributions actually paid in respect of him, and an equal sum will be treated as having been expended on sickness benefit, and the proper proportion thereof will accordingly be paid out of moneys provided by Parliament :

(3) A master, seaman, or apprentice who is neither domiciled nor has a place of residence in the United Kingdom will not be deemed to be employed within the meaning of Part I. of the Act, but the employer will be liable to pay the same contributions in respect of him as would otherwise have been payable by him as employer's contributions, except in cases where the ship is engaged in regular trade on foreign stations :

(4) Such persons may join the Seamen's National Insurance Society. Such society is specially empowered to provide for special additional benefits, and in particular for the granting of special pensions and superannuation allowances :

(5) Such persons are entitled to remain members of the Seamen's National Insurance Society after they have left the sea service if they can prove that the state of their health is such that they cannot obtain admission to an approved society :

(6) A seaman who was a member of a society before the commencement of the Act and such society becomes approved, is entitled to be a member of the society for the purposes of obtaining the ordinary benefits under the Act, and to be a member of the Seamen's National Insurance Society for the purposes of obtaining the pension benefit.

(7) Members of the Seamen's National Insurance Society will, for the purposes of Part I. of the Act, be deemed to reside in England, and the medical benefit and sanatorium benefit of such members will be administered by the society instead of by the Insurance Committee, and the provisions of Part I. of the Act relating to the administration of those benefits will apply accordingly subject to such modifications as may be prescribed. Nothing in the above is, however, to prevent the society agreeing with Insurance Committees for the administration of those

benefits by the Committees in relation to individual members of the society.

Summary of the above—

(1) Sickness and disablement benefit not payable in certain cases for a certain time.

(2) Contributions reduced in certain cases.

(3) Seamen, etc., have the advantage of being able to join the Seamen's National Insurance Society.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) What is the Seamen's National Insurance Society?

Ans. It is a society to be formed by the Board of Trade for the purpose of administering the Act in respect of persons of the class we are now considering who elect to join it.

Quest. (2) By whom is the S.N.I.S. managed?

Ans. By a committee comprising representatives of the Board of Trade, of shipowners and of members of the society in equal proportions.

Quest. (3) What are the advantages in joining the S.N.I.S.?

Ans. Such society is empowered to give special pension benefits by way of additional benefits. Since the lives of seamen are particularly good a society composed exclusively of such persons will, without doubt, have funds available in a short time for additional benefits, consequently members of such a society will most probably receive more valuable and useful additional benefits than if they had joined an ordinary approved society. In other words, the above society is an approved society which offers peculiar advantages to its members.

Quest. (4) What benefits can be claimed by seamen, etc.?

Ans. Save as limited by special provision (1) above mentioned, such persons are entitled to the ordinary

benefits plus the special pension benefit which they will be entitled to if they join the S.N.I.S. and the funds so permit.

Quest. (5) What contributions are payable in respect of seamen, etc. ?

Ans. The same as in ordinary cases except as provided in special provision (2) above mentioned. It is to be noticed that a master, seaman, or apprentice who is neither domiciled nor has a place of residence in the United Kingdom is not deemed to be employed within the meaning of the Act, but in such cases the employer is liable to pay the employer's contributions in respect of him except in cases where the ship is engaged in regular trade on foreign stations :

The contributions thus paid by the employer go to the S.N.I.S. and increase the funds out of which benefits are payable to insured persons members of the S.N.I.S. This is another reason why persons who can should join such society.

Quest. (6) Can a person remain in the S.N.I.S. after leaving the sea service ?

Ans. Only if he is unable to obtain admission to another approved society. If he is forced to leave the S.N.I.S. he does not of necessity lose his right to the pension benefit.

Quest. (7) Who administers the benefits in the case of seamen ?

Ans. The S.N.I.S. administers all the benefits in the case of persons who are members of it. In other cases the benefits are administered as to ordinary insured persons, viz. sickness, disablement, maternity, and additional benefits, by their approved society ; medical and sanatorium benefits by Insurance Committee of their county of residence.

SECTION XX.—WHAT IS THE POSITION OF INMATES OF CHARITABLE HOMES AND REFORMATORY INSTITUTIONS ?

SUCH persons, if the managers apply for a certificate of exemption, are excluded from the operation of the Act.

There will, however, be a condition attached to the granting of such certificate of exemption, viz. that the managers shall be required to pay in respect of any such inmate who, having been an inmate for more than six months, ceases to be an inmate, the sums following :—

(1) In the case of a person who was at the time of entering the institution below the age of sixteen, such capital sum as will be sufficient to secure him full benefits. *I.e.* the reserve value must be made up.

(2) In the case of a person who was at the time of entering the institution of the age of sixteen or over, and who was at that time an insured person and a member of an approved society, a sum equal to the value, calculated in the prescribed manner, of the contributions which, had no certificate of exemption been given, would have been payable in respect of him during the time he was in the institution.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) How does one apply for exemption in the above cases ?

Ans. Send to the Insurance Commissioners for Form X. 21. That Form runs as follows :—

NATIONAL INSURANCE ACT, 1911.

INSTITUTION CARRIED ON FOR CHARITY OR
REFORMATORY PURPOSES.

1. Name of Institution _____

2. Full Postal Address _____

_____3. Official description (if any)
of Managers _____4. On what grounds is the institution regarded
as being carried on for charitable or reformatory
purposes? (Give references to any pertinent pro-
visions in the rules, etc.) _____5. Are there any inmates who are supported
by the Institution? _____6. If so, do they receive (a) maintenance and (a) _____
(b) medical attendance when sick? _____

[Specify the extent of the maintenance (food, clothing,
etc.), and, if in any circumstances an inmate fall-
ing sick may be required to leave the institution,
the course of action followed by the Institution in
such a case should be fully explained.]

(b) _____

In pursuance of a resolution passed by the _____
being the managers of the said institution ^I_{we} hereby apply to the Insurance
Commissioners for a certificate of exemption for the said institution under
Section 51 of the National Insurance Act, 1911, and ^I_{we} hereby declare that all
the statements made in this application are correct.

A copy of the rules of the institution and *
^{is}
_{are} enclosed herewith.

(Signed) _____

(Position or office) _____

Witness to Signature _____

Address of Witness _____

* Insert reference to any other particulars which may be forwarded.

This form when completed should be sent, together with a copy of the
rules and of the last annual report (if any) and any other necessary
information, to the Insurance Commissioners.

Quest. (2) The above provisions only apply to institutions carried
on for charitable or reformatory purposes. How does one know
whether a particular institution falls within either of those classes?

Ans. Whether they are so carried on may generally be
proved by sending to the Insurance Commissioners a copy

of the rules of the institution as requested upon the above Form.

Quest. (3) Are there any additional requirements to those above given before a certificate of exemption will be granted ?

Ans. Yes. The inmates must receive maintenance and medical attendance when sick.

Quest. (4) Does the word "inmates" include "staff" ?

Ans. No. The Act speaks of "inmates of *and supported by* the institution." This excludes staff.

Quest. (5) Are employer's contributions payable in respect of such exempted persons as in the case of other exempted persons ?

Ans. No. The Act speaks of a certificate of exemption, but it is really a certificate of exception.

Quest. (6) Is a certificate required in the case of inmates who are not employed within the meaning of the Act ?

Ans. No. Such persons are excepted in any case.

Quest. (7) What is the position if the inmate was an insured person before entering the institution ?

Ans. If a certificate of exemption has been granted he is suspended from all benefits while an inmate, but if he was at the time of entering a member of an approved society, and has been an inmate for more than six months, the time during which he is an inmate is disregarded for the purpose of calculating arrears.

SECTION XXI.—WHAT IS THE POSITION AS REGARDS
OUTWORKERS?

THE Act contains the following exceptional provisions in the case of outworkers:—

(1) The contributions payable per week can be calculated either in accordance with the daily rate of wage as in the ordinary case, *or* they can be calculated with reference to the work actually done.

(2) The Commissioners are empowered to modify contributions in accordance with (1).

(3) The Commissioners are empowered to include women outworkers who are wives dependent upon insured persons, and to exclude outworkers of any particular class by order.

(4) The person who gives out the articles or materials to be worked upon is deemed to be the employer.

There are some 100,000 outworkers in Great Britain, and owing to the exceptional difficulty of administering the Act in respect of them, and also owing to the express provisions of the Act, a special committee was appointed to consider their position. In consequence of the report of this committee the position of outworkers will probably be settled in accordance with the scheme which the committee has put forward. This scheme provides *inter alia* as follows:—

(1) All outworkers whose estimated average earnings per full week exceed 30s. in the case of men, or 17s. 6*d.* in the case of women, shall be insured in exactly the same manner as inworkers—if the outworker is employed a full week, a weekly contribution shall be payable. The contribution in this case shall *not* be determined by reference to the work done.

(2) All outworkers whose estimated average earnings per

week do *not* exceed 30s. in the case of men, and 17s. 6*d.* in the case of women, shall be allowed to determine their contribution by reference to the work done.

Where this method is adopted it is suggested—

(*a*) That one-half of the weekly contributions prescribed in the case of ordinary employed contributors shall be payable in respect of each part of the estimated average earnings for a full week's work.

(*b*) That contributions shall be paid at least once a fortnight, and shall be calculated as in (*a*) with reference to the total amount earned by the outworker in that fortnight. (See p. 174.)

(3) Outworkers' contributions shall be paid by means of stamps, exactly as in the case of inworkers, and the employer shall affix a stamp on the outworker's card to the value of his own and the worker's contribution and deduct the latter's portion from wages.

(4) Where there is a middleman, he shall be considered the employer of the sub-employees, and, therefore, affix the stamps, etc.

(5) Where the outworker is employed by several employers each employer shall contribute proportionally. The table following gives an example of the way in which the proportion is to be calculated. (See p. 175.)

Such cases are probably rare and amounts involved so small that no system need be drawn up to deal with them.

It has, therefore, been suggested that provision be made to the effect that—

(*a*) As long as, in respect of any worker, the total contributions amount to less than fifty-two complete weekly contributions in any one year, no regard shall be taken of the period of time in which the work has been done.

(*b*) If a worker has paid contributions equal to fifty-two complete weekly contributions in any one year, no further contributions shall be payable by that worker that year.

The chief difficulty in connection with the scheme outlined

TABLE.

	1st Employer.			2nd Employer.			3rd Employer.		
	Work done.	Contributions.		Work done.	Contributions.		Work done.	Contributions.	
		Employer.	Worker.		Employer.	Worker.		Employer.	Worker.
—									
Woman of class (e), employed on work estimated as yielding 15s. per week average earnings.	s. d. 15 0	d. 3	d. 3	s. d. 5 0	d. 1½	d. 1½	s. d. —	d. —	d. —
Woman of class (g), employed on work estimated as yielding 7s. 6d. per week average earnings.	7 6	5	—	3 6	2½	—	3 6	2½	—

Under this scheme cases may arise in which payment for two weeks' work by one worker exceeds two complete weekly contributions.

EXAMPLE.

	1st Employer.			2nd Employer.			3rd Employer.		
	Work done.	Contributions.		Work done.	Contributions.		Work done.	Contributions.	
		Employer.	Worker.		Employer.	Worker.		Employer.	Worker.
—									
Woman of class (g), employed on work estimated as yielding 7s. 6d. per week average earnings.	s. d. 7 6	d. 5	d. —	s. d. 5 0	d. —	d. —	s. d. 2 6	d. 2½	d. —

above is the fixing of the denominator representing the estimated average earnings for a full week of any particular kind of work. But since all outworkers are paid at piecework rates, and since these rates are perfectly definite and well known, it is merely a matter of discovering the daily or weekly rate of remuneration which represents the earning capacity of an average worker employed in one of these works. No system of payment of contributions by reference to work done can possibly be introduced without establishing such denominators.

Probably much of the outwork is paid for at the rates of 15s. for a full week's work in the case of a man, and 8s. 9d. in the case of a woman. But, whenever outwork is done for which it is claimed that other amounts should be fixed as denominators, provision must be made for dealing with such claims as they arise.

It has been suggested that an investigator should be appointed to hear evidence regarding the claims, whether of employers or employed, and report to the Insurance Commissioners the amounts which he, after hearing the evidence, considers should be fixed in respect of any class of outworkers.

Employers who adopt such a system of contributions by reference to work done should note—

(1) That they must send a notice of their intention to adopt this system, and that such notice will remain in force for one or more years.

(2) That under this system they must agree to accept as denominators, the amounts fixed for that purpose by the Insurance Commissioners.

(3) That they must give every facility for the collection of evidence and statistics of every class of outworkers employed by them.

(4) That their notice of intention to adopt this system should be accompanied by a statement regarding the classes of work, if any, for which they claim that amounts other than 15s. for men, and 8s. 9d. for women, or the Trade Board rate, should be fixed.

(5) That it would be desirable that they should keep a

record showing the amount of work given out, the date of its return, the amount paid for the work, and the amount of contribution paid by affixing a stamp on the worker's card.

The above, however, only apply if the scheme adumbrated is adopted by the Joint Committee.

Finally, it should be stated that the committee have reported that all married women outworkers should be ultimately included.

It has been thought desirable for the sake of completeness to inform the reader of the special position of outworkers, but as matters stand at present, it seems unnecessary to make any further comment upon the position of this special class.

DIVISION F, MISCELLANEOUS POINTS

SECTION XXII.—WHAT IS THE EMPLOYER'S POSITION WITH REGARD TO ACCIDENTS TO HIS WORKMEN?

THE Insurance Act does not in any way reduce the employer's liability in respect of accidents. Section 11 of the Insurance Act provides that sickness or disablement benefit will not be claimable by an employee who is entitled to compensation or damages under either the Workmen's Compensation Act, 1906, or the Employers' Liability Act, 1880, or at Common Law, but this in no way affects the master's position as we have already stated.

Under the Insurance Act the employer's position is made even more difficult since section 11 (2) provides that where an insured person appears to be entitled to any such compensation or damages as aforesaid and unreasonably refuses or neglects to take proceedings to enforce his claim, *it shall be lawful for the society or committee concerned, either—*

(a) at its own expense, to take in the name and on behalf of such person such proceedings,—in which case any compensation or damages recovered will be held by the society or committee as trustee for the insured person; or

(b) to withhold payment of any benefit to which apart from the above section 11 (2) such person would be entitled.

In the event of *the society or committee concerned* taking proceedings as aforesaid and failing in the proceedings, it will be *responsible for the costs of the proceedings as if it were claiming on its own account.*

It therefore adds yet another to the already numerous class

of trade societies who are entitled to force the workman to claim damages when injured.

Further the master is required to send to the Insurance Commissioners within three days notice in writing of any agreement giving the prescribed particulars thereof when the amount of compensation has been agreed, and the amount so agreed is less than 10s. a week, or where it relates to the redemption of the weekly payments by a lump sum.

The particulars to be given have not yet been prescribed.

It is to be noticed that in calculating sickness averages under section 63 of the Act no account must be taken of any excessive sickness attributable to any disease or disablement which is due to any disease or injury in respect of which damages or compensation are payable under the Employers' Liability Act, 1880, or the Workmen's Compensation Act, 1906, or at Common Law.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) Does the insured obtain no benefits under the Insurance Act whatever the sum he recovers under the Workmen's Compensation Act, 1906, or Employers' Liability Act, 1880, or at Common Law may be?

Ans. Only sickness and disablement benefit are lost, and these only to the extent of the weekly sum or weekly value of a lump sum which is paid or payable to them by way of compensation or damages by their employer.

Quest. (b) How is the weekly value of a lump sum paid by the employer determined?

Ans. It is determined by the approved society or Insurance Committee by which the benefit is administered.

Quest. (c) Is there any right of appeal from such decision?

Ans. Any person interested may appeal to the Insurance Commissioners. The Insurance Commissioners may appoint referees to hear such appeals and may make regulations as to the procedure on any such appeal or dispute.

Such regulations have not yet been made. The decision so given will be final and conclusive.

Quest. (d) Is the approved society entitled to pay the insured person anything pending the settlement of a claim under either of the above Acts or at common law?

Ans. Yes. They can advance benefits, but in such a case any advances so made, if the workman eventually recovers compensation, will be recoverable by the approved society by deductions from or suspension of any benefits which may subsequently become payable to such person.

Quest. (e) Suppose the workman dies before the dispute is settled, does the money due by way of compensation go to his representatives, or can the approved society claim some of it in respect of benefits advanced?

Ans. It is submitted that it all goes to the representatives (or dependants) subject to a right in the approved society to recover by action amounts paid in advance by way of benefits. Such amounts would be recoverable from the deceased's personal representatives as a debt due from the deceased. See Section 11 (3), "without prejudice to any other method of recovery."

Quest. (f) Can an insured person claim sickness benefit as well as a penal fine under section 136 of the Factory and Workshop Act, 1901?

Ans. Yes. Although under the above section an employed person may receive as much as £100 in respect of injury to his health, owing to the wording of the Insurance Act this would make no difference to the benefits he can claim under the Act. The same applies to cases under the Workmen's Compensation Act, 1897, which, however, is practically superseded by the later Act of 1906.

Quest. (g) What penalty is incurred if the master fails to give the required notice?

Ans. £10 fine on summary conviction.

Quest. (h) When can the approved society take proceedings to recover compensation or damages?

Ans. The following requisites must be present:—

(a) There must be a *prima facie* case in favour of the employee.

(b) The employee must unreasonably refuse; or

(c) neglect to take proceedings.

It is submitted that an employee can be treated as “neglecting” to take proceedings even though he in fact cannot (through want of means or otherwise).

Quest. (i) Must the society take proceedings if the above requisites are fulfilled?

Ans. No. The society has the option; it is simply saved by the Act from being guilty of maintenance (champerty hardly seems applicable).

Quest. (j) Who receives the compensation if the society takes proceedings?

Ans. The society. It must hold any money recovered, however, as trustee for the insured person.

Quest. (k) What is the position if the employed person is not a member of an approved society?

Ans. The place of the approved society is taken by the Insurance Committee for the neighbourhood.

SECTION XXIII.—WHAT OFFENCES AND CIVIL INJURIES ARE
CREATED BY THE ACT?

A. THE offences created by the Act are as follows:—

I. *Failing to pay contributions under or comply with the requirements of Part I. of the Act.*

On this subject the Act provides as follows:—

If any employer has failed to pay any contributions which under Part I. of the Act he is liable to pay in respect of an employed contributor, or if any such employer, any insured person, or any other person is guilty of any other contravention of or non-compliance with any of the requirements of Part I. of the Act or the regulations made thereunder in respect of which no special penalty is provided, he shall for each offence be liable on summary conviction to a *fine not exceeding ten pounds*, and where the offence is failure or neglect on the part of the employer to make any such contributions, to pay to the Insurance Commissioners a sum equal to the amount of the contributions which he has so failed or neglected to pay, which sum when paid will be treated as a payment in satisfaction of such contributions.

II. *Failing to comply with any of the regulations issued under the Act.* (See above, I.)

III. *Knowingly making a false statement or representation for the purpose of obtaining any benefit or payment under the Act or the crediting of a reserve value for himself or any other person.*

Penalty—imprisonment not exceeding three months with or without hard labour. The reserve value will also be cancelled.

IV. *Knowingly levying or attempting to levy any distress or execution or enforcing or attempting to enforce any judgment in contravention of section 68 of the National Health Insurance*

Act (which forbids levying a distress, etc., if a doctor certifies that to do so would endanger life).

Penalty—fine not exceeding £50.

V. *Failing*, if a husband in receipt of maternity benefit, to make adequate provision to the best of his power for the maintenance and care of his wife during her confinement, and for a period of four weeks after her delivery.

Penalty—imprisonment not exceeding one month, with or without hard labour.

VI. *Wilfully delaying or obstructing an Inspector.*

Penalty—fine not exceeding £5.

VII. *Failing to pay contributions, etc., under Part II. (Unemployment Insurance) of the Act.*

On this subject section 101 of the Act provides as follows:—

If any employer or workman has failed to pay any contributions which he is liable under Part II. of the Act to pay, or if any employer or workman or any other person refuses or neglects to comply with any of the requirements of Part II. of the Act, or the regulations made thereunder, he shall, for each offence, be liable on summary conviction to a fine not exceeding ten pounds, and also, where the offence is failure or neglect to make any contribution under this Part of this Act, to pay to the unemployment fund a sum equal to three times the amount which he has refused or neglected to pay (not exceeding five pounds), which sum, when paid, shall be treated as a payment in satisfaction of the contributions which he has so refused or neglected to pay.

Proceedings under the provisions of the foregoing section may not be instituted except by, or with the consent of, the Board of Trade, and may be commenced at any time within three months of the date at which the offence comes to the knowledge of the Board of Trade.

Nothing in the above section will be construed as preventing the Board of Trade from recovering any sums due to the unemployment fund by means of civil proceedings, and all such sums will be recoverable in such proceedings as debts due to the Crown.

B. Civil proceedings can be taken in the cases following:—

(a) Where an employer has failed *or neglected* to pay any contributions which he is liable to pay in respect of a person being a member of an approved society in his employment, and by reason thereof that person has been deprived in whole or in part of his right to any benefits which would otherwise have been payable to him, he will be entitled to take proceedings against the employer *for the value of the right of which he has been so deprived*, and in any such proceedings *the employer may be ordered to pay* to the Insurance Commissioners *a sum equal to the value so ascertained*, which sum when paid will be carried to the credit of the society of which such person is a member, and thereupon such person will thenceforth be entitled to receive from the society benefits at the same rate as he would have been entitled to had the contributions been properly paid, together with the difference between the amount of the benefits (if any) he has actually received and the benefits he would have received had the contributions been properly paid.

These proceedings can be taken as well as criminal proceedings under I. above.

(b) If it is found at any time that a person has been in receipt of unemployment benefit whilst the statutory conditions were not fulfilled in his case, or whilst he was disqualified for receiving unemployment benefit, he will be liable to repay to the unemployment fund any sums paid to him in respect of unemployment benefit whilst the statutory conditions were not fulfilled, or whilst he was disqualified for receiving the benefit, and the amount of such sums may be recovered as a debt due to the Crown.

(c) Where a contribution paid by the employer on behalf of an employed contributor is recoverable from the contributor but is not recoverable by means of deductions, it will (without prejudice to any other means of recovery) be recoverable summarily as a civil debt.

In such cases proceedings must be instituted within three months.

(d) See above, offence VII., last paragraph.

Besides the above, sections 66, 67, and Schedule IX. of the Act deal with the ways in which questions, or disputes, or objections to orders issued under the Act may be determined and settled.

The details of these sections do not appear to be of sufficient general interest to be worthy of separate consideration in this section. We have already considered section 66.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) In the case of offence I., is the employer liable although he is ignorant of the fact that the contribution has not been paid?

Ans. It is probable that he is. He is certainly liable to have civil proceedings taken against him under “(a)” above.

Quest. (b) Is he liable if he has not paid the contribution in consequence of a statement made by an official lecturer to the effect that in the circumstances he is not bound to contribute?

Ans. Yes. He is not safe in following the opinion of an official lecturer, however learned such lecturer may be. If he is in doubt as to whether he should contribute in respect of a particular employee his only safe course is to contribute, the alternative is to send in the form for the determination of a question under section 66 to the Insurance Commissioners, but this will certainly be tedious and probably expensive. It need hardly be pointed out that as regards the criminal offence he may unwittingly commit no Justice of the Peace would think of inflicting more than a nominal fine, but the danger lies in the fact that, should he fail to contribute as regards a particular employee and that employee should subsequently fall sick and become disabled, the unfortunate employer is liable to have an action brought against him for a sum equal to the *whole* of the benefits which that employed person *would have* received had he been insured, *i.e.* had the employer contributed in respect of him.

Unless the employer is prepared to contribute in respect of doubtful cases or to submit a case to the Commissioners he should most certainly insure against this risk.

Quest. (c) Is a person liable under II. if he has not seen the regulation and has not been able to obtain it from the Government publishers ?

Ans. Yes. The liability is absolute.

Quest. (d) As to offence III., what is the effect of having one's reserve value cancelled ?

Ans. The insured person is normally put back, as regards his age to 16 by the Act. This is accomplished by crediting his society with a reserve value if he is above 17. If this reserve value is cancelled his age for the purposes of the financial part of the Act ceases to be regarded as 16 and becomes his actual age. His benefits and possibly his contributions would be respectively lowered and raised.

Quest. (e) As to offence IV. How does one know that the doctor has certified that levying distress, etc., would endanger the insured person's life ?

Ans. The doctors attending upon any person in receipt of sickness benefit may certify that the levying of any distress or execution upon any goods or chattels belonging to such insured person and being on premises occupied by him, or the taking of any proceedings in ejectment or for the recovery of any rent or to enforce any judgment in ejectment against such person, would endanger his life, whereupon such certificate must be sent to the Insurance Committee for the district.

The committee must then record it in a special register without fee, and this register will be open at all reasonable times for inspection.

Such certificate will remain in force for one week or

less, but may be renewed, but not beyond the expiration of three months from the date of the grant of the original certificate.

Quest. (f) Can the accuracy of such certificate be disputed ?

Ans. Yes. If any person who desires to levy such distress or execution or take such proceedings or enforce such judgment disputes the accuracy of the certificate, he may apply to the registrar of the county court, who, if he is of opinion that the certificate should be cancelled or modified, may make an order cancelling or modifying it. No appeal lies against any such order or a refusal to make any such order.

Quest. (g) As to offence VI. What are the provisions of the Act with regard to these inspectors ?

Ans. The Act provides as follows :—

1. An inspector appointed under this Act shall, for the purposes of the execution of this Act, have power to do all or any of the following things, namely :—

- (a) To enter at all reasonable times any premises or place, other than a private dwelling-house not being a workshop, where he has reasonable grounds for supposing that any employed contributors or workmen in an insured trade are employed ;
- (b) to make such examination and inquiry as may be necessary for ascertaining whether the provisions of this Act are complied with in any such premises or place ;
- (c) to examine, either alone or in the presence of any other person, as he thinks fit, with respect to any matters under this Act, every person whom he finds in any such premises or place, or whom he has reasonable cause to believe to be or to have been an employed contributor or workman in an insured trade, and to require

every such person to be so examined, and to sign a declaration of the truth of the matters in respect of which he is so examined ;

(d) to exercise such other powers as may be necessary for carrying this Act into effect.

(2) The occupier of any such premises or place and any other person employing any employed contributor or workman in an insured trade, and the servants and agents of any such occupier or other person, and any employed contributor or workman in an insured trade shall furnish to any inspector all such information and shall produce for inspection all such registers, books, cards, and other documents as the inspector may reasonably require.

(3) If any person wilfully delays or obstructs an inspector in the exercise of any power under this section or fails to give such information or to produce such documents as aforesaid, or conceals or prevents or attempts to conceal or prevent any person from appearing before or being examined by an inspector, he shall be liable on summary conviction to a fine not exceeding five pounds :

Provided that no one shall be required under this section to answer any question or give any evidence tending to incriminate himself.

(4) Where any such premises or places are liable to be inspected by inspectors or other officers, or are under the control of some other Government department, the Insurance Commissioners or Board of Trade may make arrangements with that other Government department for any of the powers and duties of inspectors under this section being carried out by inspectors or other officers of such other Government department, and, where such an arrangement is made, such inspectors and officers shall have all the powers of an inspector under this section.

(5) Every inspector shall be furnished with the prescribed certificate of his appointment, and on applying for admission to any premises for the purposes of this

Act, shall, if so required, produce the said certificate to the occupier.

Quest. (h) As to offence VII. If the employer fails to pay his unemployment insurance contribution, what is his liability?

Ans. Shortly it is as follows :—

- i. Fine not exceeding £10.
- ii. Liability to pay a sum up to £5 into the unemployment fund, such sum representing three times the sum he has failed to pay.
- iii. Liability to pay the difference between £5 and the sum he has failed to pay if the latter exceeds £5.

SECTION XXIV.—CAN A PERSON CONTRACT OUT OF THE ACT?

NOTE.—The subject-matter of this section has been put under the above heading for the sake of terseness and because it may be that many people are under the delusion that it is possible to escape the operation of the Act by entering into particular contracts with their several servants. We shall, however, mainly consider in this section the special provisions contained in the Act where the employer is liable to pay wages during sickness.

It may be laid down as a perfectly general proposition that there is no way of contracting out of the Act. It is true that under (*b*) and (*c*) of Part II. of Schedule I. it is possible for certain authorities to escape if they give their employees certain benefits and if the Insurance Commissioners certify that the terms of the employment are such as to secure provision in respect of sickness and disablement on the whole not less favourable than the corresponding benefits conferred by Part I. of the Act. Even here it must be remembered that as regards (*c*) the persons so employed must be entitled to rights in a superannuation fund established by *Act of Parliament*. It can hardly be said, however, that this is contracting out of the Act, it is rather being excepted from the operation of the Act upon terms. In any case, this part of the subject is too detailed to be considered in a little manual such as the present.

But although the employer cannot contract out he can in certain cases obtain a slight reduction in the weekly contributions.

Such reductions may be obtainable if the following requisites are present:—

(1) The person employed must be paid at a rate of remuneration equal to 10s. a week or more.

(2) The employer must undertake to pay full remuneration during sickness or disablement for six weeks in the year if necessary.

(3) The employer must give to the Insurance Commissioners the prescribed notice that he desires to take advantage of section 47 of the Act. No regulations have yet been issued stating what kind of notice is required.

(4) The employment must be of a class in which the Commissioners have been satisfied that there is a general custom to pay full remuneration as above. Or it must be carried on in a locality where such a custom is general. A list of the classes of employments or localities above mentioned is to be published. No such list has yet been published.

(5) If (4) is not applicable to the case employers in any particular class of employment may apply to the Insurance Commissioners, and the Commissioners, if, after ascertaining the views of the persons employed, they think fit, may make a special order admitting employers in that class of employment to the benefits given them by section 47.

From (4) and (5) above it will be observed that employers can only apply to have their contributions reduced if they are either (a) employers in a *class* of employment which either is or is deemed to be in a special position as regards the Act or (b) employers in a *neighbourhood* which is or is deemed to be in a special position as regards the Act. Consequently particular individuals are not competent to claim the benefits of section 47 even if they pay full remuneration and give notice unless they are members of the class or come within the neighbourhood qualification.

The whole subject of reduction of contributions under section 47 is at present vague owing to the absence of the many really necessary regulations which should have been issued on the subject.

An employer who has given notice can withdraw such notice by giving three months' notice of the fact to the Insurance Committee.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (a) What advantage is gained by sending in the notice under section 47 ?

Ans. The employed rate is reduced by 2*d.* a week in the case of men and by 1½*d.* a week in the case of women. The employee's contribution being a 1*d.* and a ½*d.* a week less in the above cases respectively.

Further, contributions will not be payable at all in respect of any period of disease or disablement during which full remuneration is payable under section 47 if the prescribed notice has been given.

Quest. (b) Does the employee get both the full remuneration (for six weeks) from his employer and also sickness benefit under the Act ?

Ans. No. He gets no sickness benefit while in receipt of full pay. When the latter ends the former begins. If he is out of employment he still does not get sickness benefit for the first six weeks of any period of disease or disablement commencing after he has ceased to be so employed.

Quest. (c) Is he entitled to twenty-six weeks' sickness pay from the end of the six weeks' full pay ?

Ans. No. Twenty-six weeks' sickness pay from the commencement of the sickness.

Quest. (d) In calculating rate of remuneration can one count board and lodging ?

Ans. Yes. All payments in kind are to be calculated in ; take as their value their value to the employee.

Quest. (e) What is the employer's full liability if he gives notice under section 47 ?

Ans. He will be liable to pay full remuneration to every person included in his notice during any period or

periods not exceeding six weeks in the aggregate in any one year during which such person may be suffering from any disease or disablement *commencing while such person is in his employment*, notwithstanding that such person may have *left his employment* before the expiration of that time. Provided that, if any such person is engaged for a term of not less than six months certain, the employer will be liable to pay full remuneration during any period of disease or disablement lasting less than six weeks, and for the first six weeks of any period of disease or disablement lasting more than six weeks, notwithstanding that the aggregate exceeds six weeks; but, where any such period extends beyond the term of the engagement, the employer will not be liable to make any payment in respect of any part thereof after the expiration of such term.

Quest. (f) What happens if a person employed in one of the special trades or localities ceases to be employed and becomes a voluntary contributor?

Ans. He has two alternatives. (1) He can continue to pay the reduced contribution. In such a case he will not get any sickness benefit for six weeks after the commencement of his illness, and when he does get it it will only last for twenty weeks. (2) He can pay at the ordinary full rate, in which case he becomes entitled to the ordinary benefits after the payment of twenty-six weekly contributions at the full rate.

PART II.—UNEMPLOYMENT INSURANCE.

NOTE.—*This part of the Act came into operation on July 15th, 1912. It only applies to particular trades. A separate contribution must be made by employers in respect of it over and above the ordinary 7d. a week.*

The Umpire has already issued lists of the various persons who do and who do not come within this Part. Such lists will be found on pp. 202–209, infra.

DIVISION I, INSURED PERSONS, ADMINISTRATION, CONTRIBUTIONS, AND BENEFITS

SECTION A.—(a) WHAT PERSONS COME WITHIN THIS PART OF
THE ACT?

(b) WHAT CONTRIBUTIONS ARE PAYABLE?

(c) WHAT BENEFITS CAN BE CLAIMED?

As to (a)—*Persons to be insured.*

All workmen (see *Quest. (1), infra*) who are employed in the trades following come within Part II. :—

(1) Building; that is to say, the construction, alteration, repair, decoration, or demolition of buildings, including the manufacture of any fittings of wood of a kind commonly made in builders' workshops or yards.

(2) Construction of works; that is to say, the construction, reconstruction, or alteration of railroads, docks, harbours, canals, embankments, bridges, piers or other works of construction.

(3) Shipbuilding; that is to say, the construction, alteration, repair or decoration of ships, boats or other craft by persons not being usually members of a ship's crew, including the manufacture of any fittings of wood of a kind commonly made in a shipbuilding yard.

(4) Mechanical engineering, including the manufacture of ordnance and firearms.

(5) Ironfounding, whether included under the foregoing headings or not.

(6) Construction of vehicles; that is to say, the construction, repair, or decoration of vehicles.

(7) Sawmilling (including machine woodwork) carried on in connection with any other insured trade or of a kind commonly so carried on.

When, however, a workman is employed in a district which is rural in character, and the workman *usually* follows in that district some occupation other than an insured trade, and is employed in an insured trade occasionally only, he does not come within Part II. of the Act unless the employer and the workman agree that contributions shall be payable in respect of this part of the Act.

Further it must be remembered that the Board of Trade have power *to extend* the provisions of the Act to any trade other than the trades above mentioned by special order with the consent of the Treasury. They have also power to vary the definition of "workmen" made by the Act. On the other hand, the Board of Trade may by special order *exclude* from the operation of this Part of the Act—

- (a) Any occupation which appears to them to be common to insured and uninsured trades alike, and ancillary only to the purposes of an insured trade; and
- (b) Any occupation which appears to them to be an occupation in a business which, though concerned with the making of parts or the preparation of materials for use in connection with an insured trade, is mainly carried on as a separate business or in connection with trades other than insured trades.

Again, where a man of the Naval Reserves, the Army Reserve, or the *Territorial Force*, is being trained and is in receipt of pay out of the moneys provided by Parliament for Navy or Army services, and immediately before the training was employed in an insured trade, he will be deemed, whilst so training, to be in the employment of the Crown in an insured trade.

Temporary work provided by a central body or distress committee under the Unemployed Workman Act, 1905, is not to be regarded as employment in an insured trade.

NOTE.—In determining any question as to whether any trade in which a workman is or has been employed is an insured trade or not, regard must be paid to the nature of the work in which the workman is engaged rather than to the business of the employer by whom he is employed.

Part II. applies to Crown servants in the same way as to persons privately employed.

Regulations may be issued by the Board of Trade permitting workmen who are employed under the *same* employer partly in an insured trade and partly not in an insured trade to be treated *with the consent of the employer* as if they were wholly employed in an insured trade.

As to (b)—*Contributions payable.*

The following contributions are payable—

From every workman employed in an insured trade for every week he is so employed, $2\frac{1}{2}d.$

From every employer by whom one or more workmen are employed in an insured trade, in respect of each workman, for every week he is so employed, $2\frac{1}{2}d.$

In the case of a workman below the age of eighteen, $1d.$ must be substituted for $2\frac{1}{2}d.$ as the contribution from the workman and from the employer, but, for the purpose of reckoning the number of contributions in respect of such a workman except as regards the payment of unemployment benefit before he reaches the age of eighteen, the $1d.$ must be treated as two-fifths of a contribution.

Every period of employment of less than a week will, for the purposes of calculating contributions, be treated as if it were employment for a whole week, except that, where the period of employment is two days or less, the contributions both of the employer and of the workman will be reduced to one penny if the period does not exceed one day and to twopence if it exceeds one day; and, in such case, in reckoning the number of contributions under Part II. of the Act, contributions at such reduced rates will be treated as two-fifths or four-fifths of a contribution as the case may require.

The above rates of contributions may be periodically revised once every seven years. If the Board of Trade find that the unemployment fund is insufficient to pay the benefits provided the Board may, with the sanction of the Treasury, increase the rate of contributions either generally or in particular trades or branches of trades. On the other hand, if it appears desirable they may reduce the contributions payable.

Further if the Board extends the number of insured trades they may alter the above rates of contributions as regards such fresh trades brought within the scheme.

As to (c)—*Benefits.*

The benefits payable are as follows:—

(a) In respect of each week following the first week of any period of unemployment, 7s., or such other rates as may be prescribed (see last paragraph below) either generally or for any particular trade or any branch thereof:

Provided that, in the case of a workman under the age of eighteen, no unemployment benefit will be paid while the workman is below the age of seventeen, and while the workman is of the age of seventeen or upwards but below the age of eighteen unemployment benefit will only be paid at half the rate at which it would be payable if the workman was above the age of eighteen.

No workman will receive unemployment benefit for more than fifteen or such other number of weeks as may be prescribed either generally or for any particular trade or branch thereof within any period of twelve months, or in respect of any period less than one day.

No workman will receive more unemployment benefit than in the proportion of one week's benefit for every five contributions paid by him under this Act:

Provided that for the purpose of the foregoing paragraph—

(a) In the case of a workman who satisfies the Board of Trade that he is over the age of twenty-one and has habitually worked at an insured trade before the commencement of this Act, there will be deemed to be added to the number of contributions which he has actually paid five contributions for each period of three months or part of such period during which he has so worked before the commencement of this Act, up to a maximum of twenty-five contributions; and

(b) Where, owing to the fact that the wages or other remuneration of a workman are paid at intervals greater than a week, or for any other like reason contributions are paid under Part II. of the Act in respect of any workman at

intervals greater than a week, that workman will be entitled to treat each of such contributions as so many contributions as there are weeks in the period for which the contribution has been paid.

Any time during which a workman is, under Part II. of the Act, disqualified for receiving unemployment benefit will be excluded in the computation of periods of unemployment.

The power conferred by the above first paragraph on the Board of Trade to prescribe rates and periods of unemployment benefit shall not be exercised so as to increase the rate of benefit above 8s. per week or reduce it below 6s. per week, or to increase the period of unemployment benefit above fifteen weeks, or to alter the proportion which the period of benefit bears to the number of contributions paid, except by rules confirmed by an order made in accordance with the provisions of this Act relating to special orders.

(b) The workman is entitled to claim a refund of the contributions paid in by him.

If it is shown to the Board of Trade that—

(1) The workman has paid contributions in respect of at least 500 weeks.

(2) The workman has reached the age of sixty.

If the workman is dead his representatives can claim on his behalf.

The amount of the refund is the difference between the amount of the contributions paid in by him (*i.e.* workman's share of contribution) and the benefits received together with compound interest at $2\frac{1}{2}$ per cent. on such sum.

(c) The Board of Trade give technical instruction to workmen who appear to be continually out of employment owing to lack of technical skill or knowledge. The cost of such instruction is to be paid out of the unemployment fund.

(d) The Board of Trade, on the application of a trades union, may make an arrangement with such trades union to pay to the trades union an amount not exceeding three-fourths of the sum expended by the union on out-of-work benefit to insured members in lieu of unemployment benefit to the members

direct. Such payment to the trades union will be made out of the unemployment fund.

The statutory conditions for the receipt of unemployment benefit by any workman are :—

(a) That he proves that he has been employed in an insured trade for at least twenty-six separate weeks in the preceding five years.

(b) That he has made application for benefit in the prescribed manner. See *infra*, section (c).

(c) That since the date of the application he has been continuously unemployed.

(d) That *he is capable of work* but is unable to obtain *suitable work*.

(e) That he has not exhausted his right to unemployment benefit.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) What is meant by “workman”?

Ans. The expression “workman” means any person of the age of sixteen or upwards employed wholly or mainly by way of manual labour, who has entered into or works under a contract of service with an employer, whether the contract is expressed or implied, is oral or in writing, and in relation to a person whilst unemployed means a person who, when employed, fulfilled the conditions aforesaid, but does not include an *indentured* apprentice.

Quest. (2) Have all employers got to pay contributions in respect of their workmen if employed in any of the above trades?

Ans. Yes. Part II. is compulsory as well as Part I.

Quest. (3) In cases of doubt how does one determine whether a contribution is payable in respect of any particular workman?

Ans. The workman or employer is entitled to submit a case to the umpire appointed by the Board of Trade. Application is made in the following Form if the application refers to a class :—

APPLICATION TO UMPIRE FOR A DECISION.

I, A.B. [the employer of] a workman of the class specified in the annexed particulars, desire to obtain the decision of the umpire whether contributions under Part II. of the National Insurance Act, 1911, are payable in respect of that class of workmen.

PARTICULARS.

- (1) Trade designation. _____
- (2) Exact description of work performed by class. _____
- (3) District where occupation is carried on. _____
- (4) Whether in opinion of applicant the employment of the class of workmen is or is not employment in an insured trade, with reasons for the opinion. _____

Name of Applicant _____

Address _____

NOTE.—If the application is made by any association of workmen or employers on behalf of the applicant, the fact must be stated.

If the application applies to a particular workman, the Form following is applicable:—

I, A.B. [the employer of], the workman specified in the annexed particulars, desire to obtain the decision of the umpire whether contributions under Part II. of the National Insurance Act, 1911, are payable in respect of [that workman] [myself].

PARTICULARS.

- (1) Name and address of workman. _____
- (2) Name and address of employer. _____
- (3) Occupation of workman with particulars sufficient to show that he is a workman within the meaning of section 107 of the National Insurance Act, 1911 [see above Q. (1)]. _____
- (4) Exact description of work performed. _____
- (5) Workman's position and condition of service. _____
- (6) Whether in opinion of applicant, the employment is or is not employment in an insured trade, with reasons for the opinion. _____

Name of Applicant _____

NOTE.—If the application is made by any association of workmen or employers on behalf of the applicant, the fact must be stated.

Quest. (4) Have any decisions of the umpire been published?

Ans. Yes. The following have been decided to be workmen in respect of whom contributions are payable:—

- i. **Workmen** employed by a **spinning and weaving company** and described as
 - (a) **Carpenters, mechanics**, if employed wholly or mainly in the repair of buildings and machinery.
 - (b) **Apprentices to the workmen** described in (a) if of the age of 16 or upwards and employed wholly or mainly by way of manual labour and if working under a contract of service with employer, whether expressed or implied, oral or in writing, but provided they are not indentured apprentices.
- ii. **Persons** employed in **lathing, dressing slates, gutters and spouting, slating, tiling and rendering lead gutters, lead flushing and aprons and counter flushing.**
- iii. **Workmen** employed by a firm of **builders' merchants**, and described as **masons and tilers**, who are engaged wholly or mainly in the work of **construction, alteration, repair, decoration or demolition of buildings.**
- iv. **Workmen** employed in a **railway wagon and iron works** and described as follows:—
 - (1) **Wagon makers, builders and repairers of railway wagons.**
 - (2) **Blacksmiths and strikers (manufacturers and repairers of railway wagon iron-work).**
 - (3) **Painters and letterers of railway wagons.**
 - (4) **Labourers assisting above classes of workmen.**
 - (5) **Foremen**, if employed wholly or mainly by way of manual labour.
- v. **Fitters, turners, machinists, smiths, strikers, millwrights, and their helpers and labourers** who are employed in **steel, bar and tinplate works**, and engaged wholly or mainly in the maintenance and upkeep of machinery, and are also payable in respect of **carpenters, joiners and masons and their helpers and labourers** who are employed as above and are engaged wholly or mainly in the **construction,**

alteration, repair, decoration, or demolition of buildings.

- vi. **Workmen** engaged in the work of fixing stone or the preparation or dressing of stone (exclusive of slate) to finished dimensions for use in connection with any trade set out in the sixth schedule of the Act.

The question of sett makers has been reserved by the Umpire.

- vii. **Workmen** engaged wholly or mainly in the work of construction, repair or decoration of cycles.
- viii. **Goods hoist attendants** employed in a mechanical engineering establishment.
- ix. **Workmen** engaged in the manufacture of shells and cartridge cases for use in connection with artillery.
- x. **Bricklayers, slaters, and the labourers of each**, employed by a tramway company, and engaged wholly or mainly in the construction, alteration, repair, decoration, or demolition of buildings.
- xi. **Workmen**, not being usually members of a ship's crew, employed in the construction, alteration, repair or decoration of barges, whether of wood or iron.
- xii. **Workmen** employed in the construction, repair or decoration of railway wagons, goods vans, brake vans and cattle vans.
- xiii. **Workmen** employed in washing ceilings, stripping off paper in buildings, whitening, colouring, repairing, pumicing woodwork and general preparations for painting.
- xiv. **Engineers, blacksmiths, carpenters and joiners** engaged in repairing steamers and not being usually members of a ship's crew.
- xv. **Workmen** described as smiths and mechanics in textile mills who are engaged wholly or mainly in the work of maintenance and upkeep of machinery.
- xvi. **Workmen** employed by a firm whose business is that of seed crushers, oil cake manufacturers and oil refiners, and described as fitters and smiths, who are engaged wholly or mainly in the work of the maintenance and upkeep of machinery.
- xvii. **Workmen** employed by a firm whose business is that of seed crushers, oil cake manufacturers and oil refiners, and described as bricklayers and joiners, who are engaged wholly or mainly in the work of construction, alteration, repair, decoration, or demolition of buildings.
- xviii. **Workmen** described as bricklayers, plumbers,

painters, scaffolders, plasterers, and the labourers of each, who are employed by firms of millers and are engaged wholly or mainly in the work of construction, alteration, repair, decoration or demolition of buildings.

xix. **Workmen described as follows :**

Fitters, turners or finishers, erecters, millwrights, planers, borers, slotters, screwers, shapers, iron sawyers, grinders (iron and steel), glazers, millers, polishers, buffers and drillers (machine), machinemen (other than those specified), drillers (hand), smiths, smiths' strikers, toolsmiths, tool makers, employed in a mechanical engineering establishment.

Iron moulders, coremakers, iron dressers, cupolamen, moulders (machine).

(a) **Employed in an iron foundry, part of a mechanical engineering establishment.**

(b) **Employed in an iron foundry, not part of a mechanical engineering establishment.**

xx. **Workmen and their helpers and labourers employed in factories and workshops which are engaged wholly or mainly in the manufacture of castings of brass, white metal, gun metal or other copper alloys for use as parts of the products of a mechanical engineering establishment, and described as follows:—**

Core makers,	Polishers,
Casters,	Finishers,
Moulders,	Fitters.
Dressers,	

xxi. **Workmen described as bricklayers, carpenters, joiners, plumbers, painters, scaffolders, plasterers, and the labourers of each, who are engaged wholly or mainly in the work of construction, alteration, repair, decoration or demolition of buildings in connection with businesses other than those included under the trades specified in the sixth schedule of the Act.**

xxii. **Workmen described as smiths, and mechanics and labourers of each, who are engaged wholly or mainly in the work of maintenance and upkeep of machinery in connection with businesses other than those included under the trades specified in the sixth schedule of the Act.**

xxiii. **Workmen employed in a malleable iron foundry, and described as engaged in the work of moulding, core-making, annealing, dressing and general labour.**

xxiv. **Workmen employed by gun manufacturers and described as follows :—**

- (1) Barrel filers.
- (2) Barrel borers.
- (3) Screwers.
- (4) Finishers.
- (5) Engravers and inlayers.
- (6) Viewers passing work and adjusting small faults, if employed wholly or mainly by way of manual labour.

The question of storemen and packers has been reserved by the Umpire.

xxv. **Workmen employed by a firm of brickmakers, and described as :—**

- (1) **Bricklayers and labourers** who are engaged wholly or mainly in the work of repairing and rebuilding brick kilns.
- (2) **Wheelwrights** who are engaged wholly or mainly in repairing carts and wagons.
- (3) **Tile fixers** who are engaged wholly or mainly in the work of fixing tiles to walls of new or existing buildings.
- (4) **Mechanics** who are engaged wholly or mainly in the work of maintenance and upkeep of machinery.
- (5) **Carpenters and plumbers** who are engaged wholly or mainly in the work of repairing buildings.

The question of terra-cotta makers and fixers and tile fixers is under consideration.

xxvi. **Joiners** in the employ of a borough council, if engaged wholly or mainly in the work of repairs to the internal fixed woodwork of school buildings.

xxvii. **Workmen** employed by a firm of wire rope manufacturers and described as **fitters and the labourers to assist them**, who are engaged wholly or mainly in the work of maintenance and upkeep of machinery.

xxviii. **Workmen** described as **wheelwrights** engaged at works forming part of a **mechanical engineering establishment**.

xxix. **Workmen** employed in a **mechanical engineering establishment**, and described as follows :—

- Cranemen (hand or power).
 Enginemen } Stationary engines.
 Firemen }
 Boilermen.

xxx. **Workmen** and their helpers and labourers, employed in factories and workshops which are engaged wholly or mainly in producing manufactures for use as parts of the products of a mechanical engineering establishment, and described as follows :—

(1) Sheet metal workers.

(2) Persons engaged in the manufacture of copper fittings and appliances.

(Coppersmiths, etc.)

The question is still under consideration as to whether contributions are payable or not in respect of forgers, including drop forgers.

xxxi. **Workmen** (including helpers and labourers) employed in factories and workshops which are engaged wholly or mainly in the manufacture of steel castings for use as parts of the products of a mechanical engineering establishment, and in machine shops in connection with the manufacture of such steel castings.

The question is still under consideration as to whether contributions are payable in respect of persons employed in steel foundries not covered by the above decision.

xxxii. **Workmen** described as gun press workers, employed in the manufacture of ordnance, who are engaged in the work of making tubes or covers for guns.

The following have been decided to be workmen in respect of whom contributions are not payable :—

i. **Workmen** employed by firms of millers who are engaged wholly or mainly in the work of:

(1) Steam, gas or oil engine drivers.

(2) Stokers or gas plant attendants.

(3) Steam and petrol wagon drivers.

(4) Motor car drivers.

(5) Dynamo and electric motor attendants,

and who are not engaged wholly or mainly in the maintenance and upkeep of machinery.

ii. **Persons** described as umbrella stick manufacturers, and engaged in the work of stick bending, stick straightening, stick mounting, stick pumicing, and stick scotching.

iii. **Workmen** described as engine drivers employed by a district council:

- (a) with council's steam engines at the water-works.
 - (b) at sewage pumping station with oil engines, who are engaged wholly or mainly in driving the engines and not engaged wholly or mainly in repairing the same.
- iv. Persons employed in piercing, raising, cutting out, marking, grinding, slitting pen blanks in hand and power presses and pen grinding bobs.
- v. Ploughmen engaged in experimenting with agricultural implements.
- vi. Workmen employed by a firm of builders' merchants, and engaged wholly or mainly in the work of unloading barges of bricks or cleaning offices.
- vii. Workmen engaged in the work of quarrying stone, including the process of scabbling or other rough dressing.
- viii. Workmen employed by a firm of dyers and described as stillmen, who are engaged wholly or mainly in attending to the stills and condensers of the distilling plant, and are not engaged wholly or mainly in the maintenance and upkeep of machinery.
- ix. A workman engaged wholly or mainly in the work of forging and fitting steel work connected with the manufacture of surgical appliances.
- x. Boys in a cycle shop under the age of 16, nor in respect of workmen who are engaged wholly or mainly in the work of cleaning the shop, cleaning cycles, running errands, doing odd jobs, and repairing on an occasion a puncture or acting as shop assistant.
- xi. Workmen engaged wholly or mainly in the work of supervision of weavers and assisting same when necessary, but contributions are payable in respect of workmen engaged wholly or mainly in the work of maintenance and upkeep of machinery.
- xii. Brass foundry and other brass workers
 - (a) casting and finishing gas and electric light fittings in brass or other copper alloy for use in connection with buildings, ships and vehicles;
 - (b) casting, machining or finishing window furniture and other brass hardware required in building, shipbuilding, cabinet-making, and in the construction of vehicles;
 - (c) casting and finishing brass taps and other

water fittings required by plumbers in fitting up buildings, ships and vehicles.

- xiii. **Workmen** employed in a **mechanical engineering establishment**, and described as:—

Timekeepers, watchmen, storekeepers, draughtsmen, tracers, gatemen, weighmen, passenger hoist attendants, closet attendants, office attendants, commissionaires, clerks and typists (male and female), office errand boys.

- xiv. **Workmen** engaged in the **manufacture of cartridge cases** for use in connection with small arms.

- xv. **Workmen** employed in the **manufacture of rubber tyres for motors, cycles, or other vehicles**, including the manufacture of elastic air tubes.

- xvi. **Workmen** employed in the **manufacture of accumulators and electrical batteries.**

- xvii. **Workmen** employed in the making of **stock bricks** by machinery, and in the burning of bricks in open clamp kilns.

- xviii. **Workmen** employed as **spring makers**, making volute, spiral and laminated springs.

- xix. **Workmen** employed as **galvanizers.**

- xx. **Workmen** employed as **wire drawers, galvanizers, wire cleaners and testers, bar, strip, hoop and wire rod rollers.**

- xxi. **Workmen** employed as **bedstead casters.**

- xxii. **Workmen** in the service of an **Electric Supply Corporation** employed as follows:—

(1) **Switch board attendants** to operate switch gear on switch board and regulate voltage on main.

(2) **Motor generator attendants** to attend to switch boards connected with the control of motor generators and look after the proper running of the motor generators and keep them clean.

(3) **Battery attendants** to look after the proper maintenance of the electric accumulator and replace plates when necessary.

(4) **Testers** to test and connect installations and arc lamp series.

(5) **Meter readers**, to read all meters in consumers' premises.

- xxiii. **Workmen** employed in textile mills, and engaged wholly or mainly in the work of **driving, tenting or min d ing engines, or stoking boilers.**

xxiv. **Workmen** employed by a firm whose business is that of seed crushers, oil cake manufacturers and oil refiners, and engaged wholly or mainly in the **work of driving, tenting or minding engines, or stoking boilers.**

xxv. **Workmen** employed by paint manufacturers who are engaged in the **manufacture of sulphide of zinc, washable water paint, enamels, varnishes, dry colours, levigating and paint grinding.**

xxvi. **Workmen engaged in the manufacture of—**

(a) Steel ship and boiler plates, steel bars and sheets.

(b) Iron plates, bars, sheets and strips.

(c) Pig iron from the ore.

(d) Tubes from strips.

(e) Rivets, bolts and nuts from the steel and iron unless made in a mechanical engineering establishment.

xxvii. **Workmen** employed by a firm of confectionery manufacturers, and described as **farrier, farrier's mate, and knife grinder.**

Quest. (5) When can a workman claim unemployment benefit?

Ans. In no case before January 15, 1913. After that date if and when he has fulfilled the following conditions:—

(1) If he proves that he has been employed as a workman in an insured trade in each of not less than twenty-six separate calendar weeks in the preceding five years;

(2) If he has made application for unemployment benefit in the prescribed manner, and proves that since the date of the application he has been continuously unemployed;

(3) If he is capable of work but is unable to obtain suitable employment;

(4) If he has not exhausted his right to unemployment benefit under this Part of the Act.

Quest. (6) Suppose he is offered work as a "blackleg" does he lose unemployment benefit if he refuses it?

Ans. No. Section 86 proviso (a) specially provides for this case. Proviso (b) provides for the case where he

refuses an offer of employment in the district where he was last ordinarily employed at a rate of wage lower, or on conditions less favourable, than those which he habitually obtained in his usual employment in that district, or would have obtained had he continued to be so employed. Proviso (c) provides for the case where he refuses an offer of employment in any other district at a rate of wage lower or on conditions less favourable than those generally observed in such district by agreement between associations of employers and of workmen, or, failing any such agreement, than those generally recognized in such district by good employers.

The Act does not define what is meant by a "good" employer.

Quest. (7) Is a workman on strike entitled to unemployment benefit?

Ans. No. See section 87 (c) of the Act.

Quest. (8) Is a workman who is dismissed for misconduct entitled to unemployment benefit?

Ans. He is disqualified for receiving such benefit for six weeks from date of dismissal. Similarly, if he voluntarily leaves his employment without just cause.

Quest. (9) What is the meaning of "misconduct"?

Ans. It is not defined by the Act. Whether or not he is disqualified will be determined in the first place by an insurance office. There is a right of appeal to the Court of Referees.

Quest. (10) Can a workman who is out of employment as regards his regular work receive unemployment benefit if he has got a temporary job of a different kind?

Ans. A workman will not be deemed to be unemployed whilst he is following any remunerative occupation in an insured trade, or whilst he is following any other occupation from which he derives any remuneration or profit

greater than that which he would derive from the receipt of unemployment benefit.

Quest. (11) Can a workman receive both unemployment benefit and the benefits under Part I. of the Act?

Ans. He is disqualified from receiving unemployment benefit if he is in receipt of sickness or disablement benefits. He can receive the other benefits under Part I. as well as the benefits under Part II.

Quest. (12) Can a pensioner under the National Insurance Act also receive unemployment benefit?

Ans. If the pension is a substituted (and not merely an additional) benefit it is submitted that he cannot.

Quest. (13) Who form the Courts of Referees?

Ans. These courts will consist of one or more members chosen to represent employers, with an equal number of members chosen to represent workmen and a chairman appointed by the Board of Trade.

Quest. (14) When is the employer entitled to have part of the contributions paid by him refunded?

Ans. If the employer—

(1) Continually employs a workman for the year preceding July 14th in any one year;

(2) Makes application to the Board of Trade for the refund.

And if not less than forty-five weekly contributions have been paid in respect of such workman, the Board of Trade will refund one-third of the contributions paid by him as the employer's share during such period of employment.

A workman is regarded as continuously employed even though not actually working, if the relation of master and servant subsists between the employer and employee,

e.g. is employed for the purposes of the above while on a holiday.

Further, an employer can also claim a refund if his workmen have been working short time and he has paid the full contributions during such time without deducting anything from the worker's wage. For fuller particulars as to this, the reader is referred to section 96 of the Act.

He is also entitled to a return of contributions paid in error.

Quest. (15) How does the employer make application for this refund ?

Ans. By applying to the Board of Trade in the Form following if the refund is in respect of *contributions paid whilst workmen are working short time* :—

I, A.B., hereby apply to the Board of Trade under section 96 of the National Insurance Act, 1911, for a refund of contributions paid by me in respect of workmen employed by me who have been systematically working short time, and I hereby declare that the statements contained in the annexed particulars are to the best of my belief correct [*add in a proper case*]. The Board of Trade, on the _____ day of _____, 19____, gave their ruling that the circumstances under which, and the means by which, I proposed to effect a reduction of working hours were such as to satisfy the requirements of the said section, and the reduction of work was carried out in accordance with the particulars and under the circumstances specified in the application on which that ruling was given.

Signed _____

Address of Applicant _____

Date _____

PARTICULARS.

- (1) Period during which short time was worked. _____
- (2) Number of workmen employed on short time. _____
- (3) Amount paid by way of contributions in respect of which no deductions were made. _____

If the return is claimed in respect of *contributions paid in error* the Form following is applicable :—

I, A.B., hereby apply to the Board of Trade in pursuance of Regulation 31 of the Unemployment Insurance Regulations, 1912, for the return of the contributions specified in the annexed particulars, being contributions paid by me in respect of the workman specified in the annexed particulars under the belief that he was a workman in an insured trade.

PARTICULARS.

- (1) Nature of business. _____
- (2) Name of workman in respect of whose employment repayment of contributions is claimed. _____
- (3) Occupation of workman and exact description of work performed. _____
- (4) Whether workman is still employed by applicant. _____
- (5) Period of employment in respect of which repayment of contributions is claimed. _____
- (6) Total amount of contributions. _____

Signed _____

Address of Applicant _____

Date _____

NOTE.—The above Forms can be obtained at any Labour Exchange or Local Office, or from the Board of Trade (Central Office for Labour Exchange and Unemployment Insurance), Queen Anne's Chambers, Westminster, S.W.

Quest. (16) To what fund are contributions credited ?

Ans. The unemployment fund. The solvency of this fund is practically guaranteed. (See below, Section B (a) (2).)

Quest. (17) Does the State add anything to the unemployment fund ?

Ans. Yes. A contribution will be made each year out of moneys provided by Parliament equal to one-third of the total contributions received from employers and workmen during that year.

Quest. (18) Are any persons employed in insured trades able to be exempted?

Ans. Yes. If the Board of Trade are satisfied that any class of workmen are, having regard to their claim to pension or to the other terms of their service, in as permanent position as that of persons serving in an established capacity in the permanent service of the Crown, the Board of Trade may exempt that class of persons from this Part of the Act.

Also, of course, the Board of Trade has power to exclude certain of the insured trades from the operation of the Act.

Apart from the above no exemptions are possible.

Quest. (19) For how many weeks can unemployment benefit be claimed?

Ans. For one-fifth of the number of weeks for which contributions have been paid. In no case can he receive more than fifteen weeks unemployment pay per annum.

Quest. (20) What is the meaning of "suitable" employment?

Ans. Apparently employment is not regarded as suitable which entails (1) working for an employer whose workmen are on strike; (2) working for wages below the current rate for the district; (3) working under conditions worse than those appertaining in the district.

Quest. (21) Who is to decide whether work is "suitable"?

Ans. In the first place the insurance officers. The workman may require such insurance officer to report the matter to a court of referees who may make recommendations to the insurance officer upon the matter. If the insurance officer disagrees with the recommendation the matter is to be referred to the umpire appointed under Part II.

Alternatively the insurance officer instead of giving his opinion in the first place may refer the matter to the court of referees direct. In such a case the decision of the court of referees is final.

SECTION B.—(a) WHO ADMINISTERS THE UNEMPLOYMENT
BENEFITS ?

(b) HOW ARE THE CONTRIBUTIONS PAID ?

(c) HOW ARE THE BENEFITS CLAIMED ?

As to (a)—*Administration.*

In order that the reader may understand the working of this Part of the Act it is desirable to make a few remarks on the administration of the Act.

(1) *As to the Administration of Benefits.*

There are two different ways in which the unemployment benefits can be administered. They are as follows :—

(1) The insured workman can claim a weekly payment during unemployment. In such cases the benefit is administered by the labour exchanges.

(2) Alternatively the workman may claim payment in respect of unemployment through his trades union. In such a case the money payments made to the workman are made by his union, but the Board of Trade, upon the proper application being made to it by the workman, will pay periodically to the trades union a sum equivalent to the amount the workman would have received had he claimed unemployment benefit in the usual way. In other words, the workman, instead of getting unemployment benefit under the Act, will get unemployment benefit from his trades union as heretofore, but instead of paying his old subscription to his union this subscription will be paid, wholly or partly, for him by the Board of Trade out of contributions due from him under this Part of the Act.

It should be observed that the trades unions are given a further advantage by section 106 of the Act, which provides as follows :—

(1) The Board of Trade may, with the consent of the Treasury, and on such conditions and either annually or at such other intervals as the Board may prescribe, repay out of moneys provided by Parliament to any association of persons not trading for profit the rules of which provide for payments to persons whilst unemployed, whether workmen in an insured trade or not, such part (in no case exceeding one-sixth) as they think fit, of the aggregate amount which the association has expended on such payments during the preceding year or other prescribed period, exclusive of the sum (if any) repaid to the association in respect of such period in pursuance of an arrangement under the last foregoing section, and exclusive, in the case of payments which exceed twelve shillings a week, of so much of those payments as exceeds that sum.

(2) No repayment shall be made under this section in respect of any period before the expiration of six months from the commencement of this Act.

(3) The Board of Trade may make regulations for giving effect to this section, and for determining the mode in which questions arising under this section shall be settled.

(2) *As to the Unemployment Fund.*

All benefits payable under this Part of the Act are payable directly or indirectly out of the unemployment fund. This is under the control of the Board of Trade, and is made up of :

(1) Contributions paid by employers and workmen.

(2) State grants.

The accounts of the fund are, of course, to be audited by the Comptroller and Auditor-General.

The Treasury are empowered to make advances up to £3,000,000 on the security of this fund for the purpose of discharging the liabilities of the fund under this part of the Act.

(3) *As to the Settlement of Disputes.*

Very many difficulties can arise under this part of the Act. In particular questions can arise on the following points :

(1) As to what workmen are to be insured.

(2) As to when workmen are disqualified from receiving benefits.

(3) As to whether a workman's continual unemployment is due to his absence of skill or not.

For the purpose of deciding such points the following officers or bodies are to be appointed or constituted :—

(1) Insurance officers. They will deal in the first instance with questions (2) and (3).

(2) Courts of referees who will act as a check upon the insurance officers. They are also empowered to consider all questions bearing upon the administration of the Act.

(3) An umpire. He will consider whether contributions are payable in any particular case or not. A deputy umpire can also be appointed.

(4) *As to the Penalties imposed upon Persons who fail to comply with this Part of the Act.*

They are as follows :—

(1) Knowingly making a false representation for the purpose of avoiding payment of contributions or of obtaining benefits.

Penalty : Imprisonment for a term not exceeding three months, with or without hard labour.

(2) Failing to pay contributions or to comply with the requirements of Part II.

Penalty : Fine not exceeding £10. Where the offence is failing to pay, the following penalty is also attached :—

Penalty : Three times the sum which offender has failed to pay, so that the penalty does not exceed £5.

All sums which are due as contributions can be recovered civilly.

(3) Receiving benefits when disentitled:—

Liability: To repay all sums so received.

As to (b)—*Payment of contributions.*

Upon this subject the Unemployment Insurance Regulations provide *inter alia* as follows:—

(1) The workman must obtain an unemployment book. See *infra*, *Quest.* (1).

(2) The employer, if employing or when engaging such workman, must obtain delivery to him, the employer, of such book. See *infra*, *Quest.* (2).

(3) The employer must, on or before the payment of wages to the workman, affix to this book the proper stamp or stamps. See *infra*, *Quest.* (6).

(4) The employer must cancel the stamps in the same manner as in the case of Health Insurance Stamps.

(5) The employer must hand over the book, properly stamped, to the workman on dismissal or termination of service.

(6) The workman must lodge the book at the local office of the Unemployment Fund when claiming benefits.

It is to be noted in this connection that if this workman has been employed through a Labour Exchange, the Board of Trade is empowered to make an arrangement with the employer whereby the performance of any of the above duties may be undertaken by the Labour Exchange.

As to (c)—*Claims for Unemployment Benefit.*

I. If the workman claims through an association of workmen, *i.e.* a trades union.

(1) The workman must make application to the Board in the appropriate manner. See *infra*, *Quest.* (a).

(2) The workman must lodge his unemployment book as above stated.

(3) The workman, if so required, must produce his insurance book (under Part I.) to prove that he is not in receipt of sickness or disablement benefit or disablement allowance under Part I.

II. If he claims direct from the local office—

(1) He must attend daily at the local office between the

hours fixed, and must there sign a register evidencing that he is unemployed.

If he lives three miles away he may attend on alternate days.

If he lives more than five miles away he is to attend on such days as the Board may fix.

If unable to attend he may be excused personal attendance. The cause of absence must be approved by the Board.

(2) and (3) As in case I.

For the purpose of enabling the reader to understand the above alternatives it is necessary to refer to section 105 of the Act, which provides, *inter alia*, as follows:—

The Board of Trade may, on the application of any association of workmen the rules of which provide for payments to its members, being workmen in an insured trade, or any class thereof, whilst unemployed, make an arrangement with such association that, in lieu of paying unemployment benefit under this Part of this Act to workmen who prove that they are members of the association, there shall be repaid periodically to the association out of the unemployment fund such sum as appears to be, as nearly as may be, equivalent to the aggregate amount which such workmen would have received during that period by way of unemployment benefit under this Part of the Act if no such arrangement had been made, but in no case exceeding three-fourths of the amount of the payments made during that period by the association to such workmen as aforesaid whilst unemployed.

The council or other governing body of any association of workmen which has made such an arrangement as aforesaid will be entitled to treat the contributions due from any of its members to the unemployment fund under this Part of this Act, or any part thereof, as if such contributions formed part of the subscriptions payable by those members to the association, and, notwithstanding anything in the rules of the association to the contrary, may reduce the rates of subscription of those members accordingly.

For the purpose of determining whether a workman has exhausted his right to unemployment benefit under this Part of this Act, the amount of any sum which, but for this section, would have been paid to him by way of unemployment benefit will be deemed to have been so paid.

The fact that persons other than workmen can be members of an association will not prevent the association being treated as an association of workmen for the purposes of this section, if the association is substantially an association of workmen.

NOTE.—“Board” means Board of Trade. “Local Office” means a local labour exchange. “Week” means any six consecutive days whether separated by a Sunday or not, or, in relation to a workman who when in employment is employed on Sunday, any seven consecutive days.

QUESTIONS, WITH ANSWERS, ILLUSTRATING THE ABOVE.

Quest. (1) How are unemployment books obtained?

Ans. The workman may obtain one from the local office or Labour Exchange nearest to his place of work or residence, or in such other way as the Board of Trade may in future direct. He can obtain the proper application form (U.I. 3) from such office or Exchange.

Quest. (2) Can the employer demand the delivery of this book to him?

Ans. Yes. It is to be returned, however, without any note or mark (save the cancelling) made upon it on the times following:—

(1) On the termination of employment otherwise than by the death of the workman.

(2) On the death of the workman (but in this case he delivers it to the local office of the Unemployment Fund).

Quest. (3) What is the employer's position if the workman leaves his employ without telling him and without leaving any address?

Ans. He must deliver the book to a local office.

Quest. (4) Who is responsible for the loss or destruction of the unemployment book ?

Ans. The employer, if he has the custody of it, otherwise the workman. A new book may be obtained for 1s.

Quest. (5) Has the workman any right to inspect the unemployment book ?

Ans. Yes. Once a month on giving reasonable notice. The inspection is to be made outside working hours.

Quest. (6) What are the proper stamps ?

Ans. Unemployment (not Health Insurance) stamps of such value as may be necessary to make the total value of all stamps so affixed equal to the following amounts :—

(i) In the case of a workman not below the age of eighteen.

For every period of employment in respect of which wages are payable—

If exceeding two days but not exceeding one week, 5*d.*

Exceeding one day but not exceeding two days, 4*d.*

Not exceeding one day, 2*d.*

(ii) In the case of a workman below the age of eighteen.

For every period of employment in respect of which wages are payable, not exceeding one week, 2*d.*

It is to be noted that the following provisions apply in certain exceptional cases :—

(a) On the termination of employment, whether or not any wages are then paid, stamps must be affixed by the employer in respect of any part of the period of employment in respect of which stamps have not already been affixed.

(b) Where the first payment of wages takes place before the completion of a week of employment but the employment is a continuing one, the employer may, at his option, either treat the period of employment in respect of which the first payment of wages is made

as a separate period of employment or may affix stamps as for a full week of employment.

- (c) Where wages are paid to a workman at intervals shorter than a week, the employer is not after the first payment of wages (subject always to his obligation to affix stamps on the termination of employment) required to affix stamps more frequently than at weekly intervals.
- (d) Where the employer employs any workmen regularly, he may deposit with the Board a sum equal to the estimated amount of the contributions payable by him during a period of three months, or such less period as may be agreed between him and the Board, in respect of those workmen both on his own behalf and on behalf of those workmen.

On making such a deposit the obligation of the employer to stamp the books of those workmen on the occasions or at the intervals hereinbefore specified will cease, and in lieu thereof he will be liable as follows:—

- (i) In case the employment of any of those workmen terminates before the expiration of any period of three months, the employer will be liable to stamp forthwith the book of the workman whose employment so terminates; and
- (ii) In the case of any workman whose employment does not so terminate, the employer will be liable either to stamp the book of that workman at intervals of three months, or to pay the contributions payable in respect of that workman through the Board at intervals of three months in such manner as the Board may direct.

Where a deposit has been made under the foregoing provision, the employer will be deemed to have duly affixed the necessary stamps to the books of the work-

men at the several dates on which he would have been bound to affix them if no such deposit had been made.

Quest. (7) What deductions from wages is the employer entitled to make?

Ans. He is entitled to deduct an amount equal to one-half of the stamps which have been, *or which are deemed to have been*, affixed by him to the workman's book.

AS TO CLAIMS FOR UNEMPLOYMENT BENEFIT.

Quest. (a) How does the workman obtain unemployment benefit if claiming it through a Trades Union?

Ans. By filling in and forwarding to the Board of Trade the Form following:—

I, A.B., hereby apply for unemployment benefit.

I hereby declare—

That the annexed particulars are correct.

That I am the person named as the holder of the book now lodged by me.

That the stamps affixed to the book so lodged have been affixed in respect of my employment in an insured trade.

That I am unemployed and unable to obtain suitable employment.

PARTICULARS.

(1) Age of applicant. _____

(2) Name, address, and business of last employer. _____

(3) Position held by applicant under last employer. _____

(4) Date of commencement of employment. _____

(5) Date of termination of employment. _____

Signed _____

Address of Applicant _____

Date _____

Quest. (b) How does the workman obtain payment in respect of unemployment under the Act from his Trades Union?

Ans. (1) By sending the above Form to the Board of Trade but substituting for "I, A.B., hereby apply for

unemployment benefit" the words "I, A.B., desire to obtain payment in respect of unemployment from the [name of trades union], being an association of workmen with which an arrangement has been made under section 105 of the National Insurance Act, 1911."

(2) By sending to the aforesaid trade union the receipt which will be given him by the local office when he lodges his unemployment book.

Quest. (c) How and when does the workman obtain unemployment benefit if claiming from the local office direct?

Ans. He must claim it at the office at which he lodged his book.

He will be paid at that office at weekly intervals on such days and at such hours as the Board of Trade may direct. No regulations on this point have yet been issued. It will be remembered that unemployment benefits are not payable until January 15th, 1913.

The amount paid on any occasion will be the amount of unemployment benefit due up to and including the day next but one preceding the day on which the payment is made.

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